

Photo courtesy: Infocus Jeff Barbel

Direct Democracy: **PEOPLE POWER**

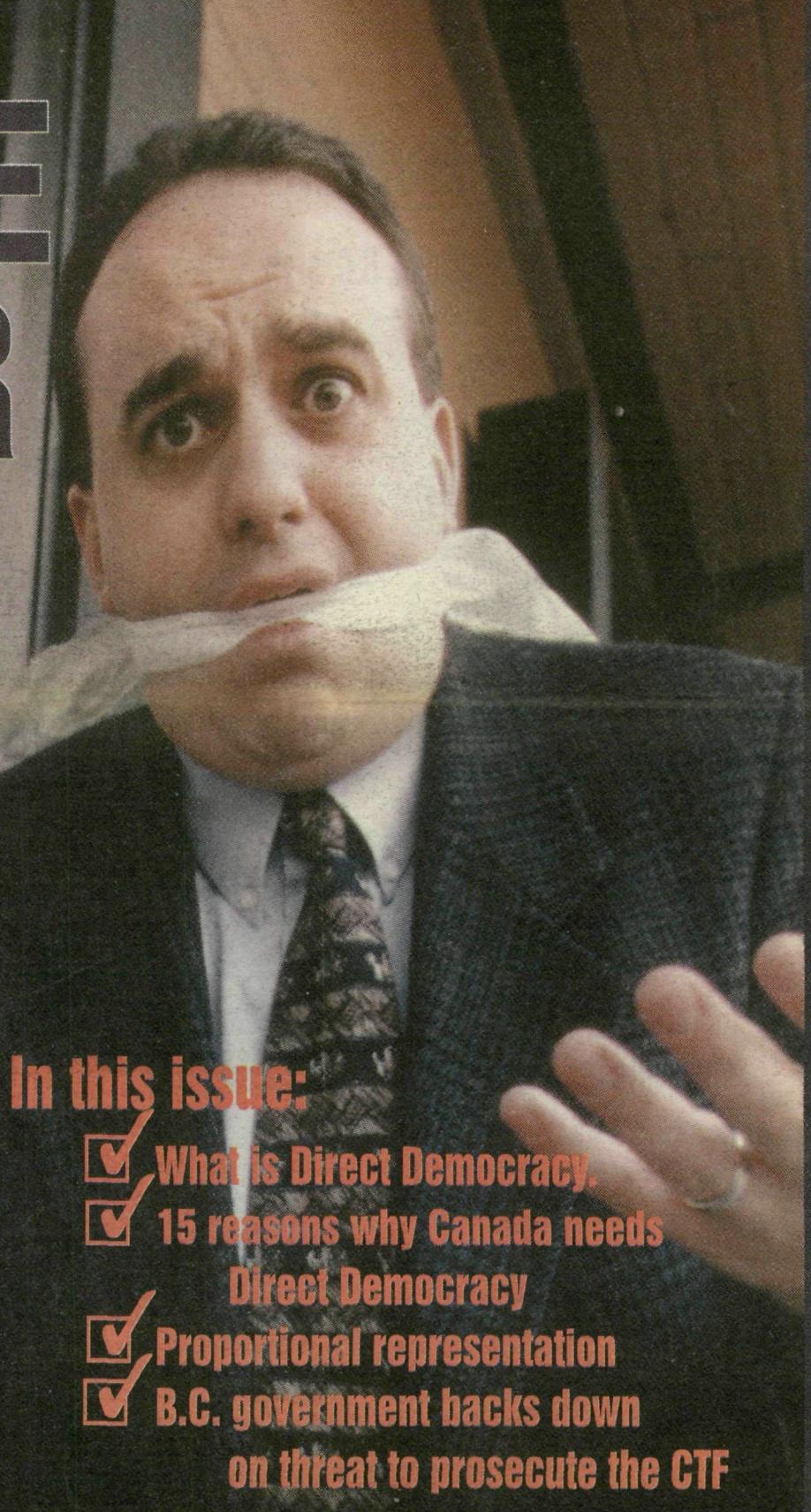
Giving Canadians
a real say in
government



PTIONS B

tisan agency of the L

Canadian Taxpayers Federation
105 - 438 Victoria Ave. East
Regina, Sask.,
S4N 0N7



In this issue:

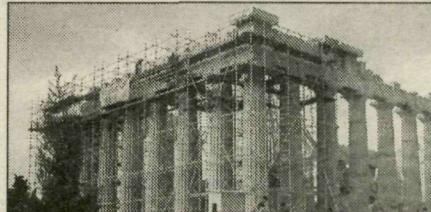
- What is Direct Democracy.
- 15 reasons why Canada needs Direct Democracy
- Proportional representation
- B.C. government backs down on threat to prosecute the CTF

MAIL POSTE
Canada Post Corporation / Société Canadienne des postes
Rue de la poste
Bld
Permit No. 1228374
S4N 0N7

Vol 9 no 3/97

TABLE OF CONTENTS

What is Direct Democracy?



4

Direct Democracy - Rossland, B.C. style



5

15 reasons why Canada needs Direct Democracy

6

Ballot-box law-making

8

It's a taxpayers' utopia

10



11

Guest Column - Proportional representation



28

B.C. Government backs down on threat to prosecute the CTF

INFORMATION:

The Canadian Taxpayers Federation (CTF) is a federally incorporated, non-profit organization. Our three-fold purpose is: 1) To act as a watch dog, and to inform taxpayers of government's impact on their economic well-being; 2) To promote responsible fiscal and democratic reforms, and to advocate taxpayers' common interests; 3) To motivate taxpayers to exercise their democratic responsibilities. Founded in 1989, the Federation is independent of all political or institutional af-

filiations and is entirely funded by free-will contributions. *The Taxpayer* is published six times a year and is mailed to CTF supporters. For more information write: the Canadian Taxpayers Federation, #105 - 438 Victoria Ave. East, Regina, Sask., S4N ON7, or phone our toll-free number: 1-800-667-7933. All material in *The Taxpayer* is copyrighted. Permission to reprint can be obtained by writing the address above. Editorial cartoons are used by permission. Printed in Canada.

PROVINCIAL OFFICES:

- ◆ British Columbia: #604-1207 Douglas St., Victoria, B.C., V8W 2E7, Ph: (604) 388-3660.
- ◆ Alberta: #410 - 9707 - 110th St., Edmonton, AB, T5K 2L9, Ph: (403) 448-0159.
- ◆ National Administration & Research Office - Saskatchewan: #110-438 Victoria Ave. E. Regina, SK., S4N ON7, Ph: (306) 352-1044.
- ◆ Manitoba: 1211 Richard Ave., Winnipeg, MN., R3E 3H3, Ph: (204) 982-2150.
- ◆ Ottawa Office: Varette Building, #512 - 130 Albert St., Ottawa, On., K1P 5G4, Ph: 613-234-6554
- ◆ Ontario: P.O. Box 19518, Manulife Centre, 55 Bloor Street West, Toronto, ON, M4W 3T9, Ph: 1-800-265-0442.

Taxpayer protection laws – legislation that safeguards taxpayers by means of balanced budgets, tax and spending limits and referendums on tax increases – have been central issues in many recent provincial election campaigns.

Mike Harris' victory in 1995 was largely based on his promise to eliminate Ontario's deficit within five years, to cut the salaries of cabinet ministers if they fail to balance the budget, and to make any increase in existing tax rates or the introduction of any new taxes subject to a binding referendum.

Last year's election in British Columbia saw the party leaders in that province signing similar pledges. And, in this spring's campaign, Alberta Premier Ralph Klein promised to extend his province's taxpayer protection legislation to include the use of referendums for proposals to increase personal or corporate income taxes.

All across the country, from Nova Scotia to the Yukon, provincial and territorial governments are responding to the country's titanic tax burden by passing taxpayer protection laws. But what about Ottawa? Why is the federal government, which is in far worse shape than most of the provinces, ignoring the call for taxpayer protection?

Well, it might have something to do with the position of the current governing party.

As with most issues, the Liberal party has applied its "don't worry, be happy" mantra to taxpayer protection legislation. According to Mr. Chretien, "what really matters is results – having the political will to set targets and stick to them – not legislation alone." In other words, the Liberals have no intention whatsoever of enacting a taxpayer protection law. They are content to "set targets" (no matter how modest and inadequate they might be) and count on the complacency of voters to permit massive tax grabs.

Alexa McDonough's New Democrats took a similar tack during campaign '97. According to NDP HQ, "We would not... support legislation that binds the government to a referendum on all tax increases." Instead, the New Democrats would reject direct democracy in favour of an expanded tax base (and thus higher tax revenues) and would "make the tax system more

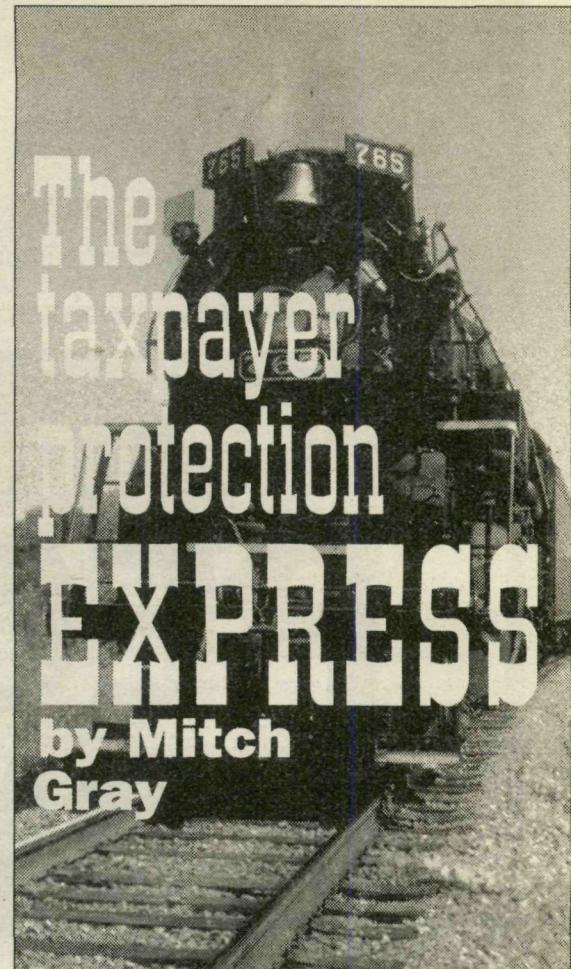
fair..." Apparently, NDP officials, rather than the Canadian people, are blessed with the knowledge of what a "fair" tax system would look like.

Still, there are voices in the political wilderness (however faint they may be) that support the introduction of a federal taxpayer protection law.

Progressive Conservative leader Jean Charest campaigned on a platform to legislate balanced budgets, with provisions for financial penalties for governments that incur deficits. And the Reform party is also "committed to a balanced budget amendment and taxpayer protection legislation."

The various federal parties' positions on taxpayer protection might lead Canadians to believe that the issue is divided by ideology – but it is not. Taxpayer protection laws have been enacted by a NDP government in Saskatchewan (albeit weak), by a Liberal government in New Brunswick and by a Tory government in Manitoba. Defending taxpayers from program-killing deficits and job-killing taxes is not an ideological crusade – it's just common sense.

If Canadians want to ensure balanced budgets and hold the line on taxes, they need to support those parties and candidates that promote taxpayer protection legislation. Two federal parties are already on side. Voters would do well to encourage the hold-outs to amend their platforms and board the taxpayer protection express. ■



The taxpayer protection EXPRESS by Mitch Gray

NEWS RELEASE:

CANADIAN TAXPAYERS FEDERATION: Appoints FEDERAL DIRECTOR

Walter Robinson, a 30-year old consultant from Ottawa, Ontario, has been appointed Federal Director for the Canadian Taxpayers Federation effective July 1, 1997. He replaces Jason Kenney who previously served as the Federation's spokesperson at the federal level.

This past January, the *Ottawa Business Journal* selected him as one of Ottawa-Carleton's Top 40 under 40 — "a group of young entrepreneurs and professionals who have passed middle management before middle age." In addition, he served as the 1996 President of the Ottawa-Carleton Junior Board of Trade, acting as the principal author of their discussion paper "20/20 Vision: Creating our Future" which addressed the over-governance issue in the region.

Earlier in 1993, he was the principal author and Chair of the Committee on School Board Reorganization in Ottawa-Carleton, which played a role in encouraging the

Walter Robinson
CTF Federal Director
Ottawa Office
Varette Building
#512 - 130 Albert St.
Ottawa, On. K1P 5G4
Ph: 613-234-6554
Fax: 613-234-7748

provincial NDP government in appointing a fact-finder to explore the school board situation in Ottawa-Carleton and look for possible merger solutions.

Born and raised in Toronto, Walter moved to Ottawa to pursue his university studies in the Honours Bachelor of Commerce Program at Carleton University. He is in the process of completing his Master's Degree in Management studies.

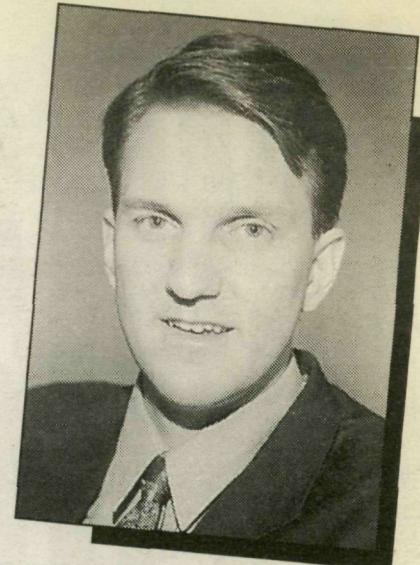
During university he worked within the bureaucracy at Public Works and also at the now defunct Consumer and Corporate Affairs, in the Lobbyists Registration Branch. Other summer stints included exposure to the private sector at the Financial Post Information Service, computer consulting at MetLife Insurance and in small business in retail sales of medical supplies.

Most recently, Walter has worked with Serco, a British based multinational which specializes in facilities management and outsourcing on behalf of government cus-

tomers. This experience has afforded Walter the opportunity to meet with elected officials and bureaucrats at all levels of government and extol the virtues, cost-savings, and the ultimate benefits that accrue to taxpayers as a result of privatization or alternate service delivery (ASD).

When questioned about his new role with the CTF, Walter says, "I'm looking forward to the opportunity to communicate the CTF message of fair and responsible taxation."

Walter added, "I look forward to working with the team of outstanding provincial spokespersons and researchers and build upon the work which has been done in the past eight years. The CTF has a critical role to play in the coming years ... our supporters are counting on us!" ■



Arab oil company takes what Ottawa gives

Ottawa is loaning an Arabian oil company \$25 million. Sharjah Oil Refining Co. received the multimillion-dollar package from the Canadian government to dismantle and move three Canadian plants in the Eastern Passage. The benefits of such a move won't be for Canadians, but for the oil rich

Middle East. So why must

Canadian taxpayers be forced to provide the incentives? However, the Arabs seem to know the Canadian government pretty well. Ask and you will receive, whether you need the money or not.

Waste Watch

Plumber Bruno Giammaria recently received a debt notice from Revenue Canada stating he was short on his GST return. The amount owing was 1 cent. Furthermore, Revenue Canada was charging the plumber "penalty and interest accrued daily on the total amount owing." Of course, it

only cost the government 45 cents to mail the letter. It is good to know that Revenue Canada won't let a single tax penny be slip through their hands, regardless of the expense to get it.

Win or lose

Whether they win or lose, many politicians seem to share the common denominator of wanting to put their hands in the public treasury. Once the election is over and the votes are counted, candidates stand in line waiting to receive their election expense cheques. If a candidate receives 15% or more of the vote he/she receives half of his/her election expenses, reimbursed by taxpayers. This is over and above the political parties which are reimbursed 22.5% of their expenses if they spend at least 10% of the limit allotted by Elections Canada. This rule costs taxpayers big time. In the 1993 election, taxpayers paid \$22 million for this election expense.

Taking your every penny

Plumber Bruno Giammaria recently received a debt notice from Revenue Canada stating he was short on his GST return. The amount owing was 1 cent. Furthermore, Revenue Canada was charging the plumber "penalty and interest accrued daily on the total amount owing." Of course, it

Risky Business

The Atlantic Canada Opportunities Agency conducted an internal review and discovered that 63 projects receiving \$13.1 million failed to meet their objectives. This is almost half of the projects funded by ACOA. Pe-

ter Estey, the vice president for programs and development, said that the low success rate is typical for the risky business of research and development. So why fund it? Estey said. "By definition, the Innovation projects are high risk. And nobody else is going to do it." Banks and trust companies won't fund these projects because the risk is too substantial. Unfortunately, when the government funds these projects, it's the taxpayers who suffer from the government's risky business.

Below Par Financing

The City of Regina has been driving taxpayers' dollars into golf courses. Every year the City gives its golf courses \$70,000 in subsidies. Every year the golf courses make a profit. The profit would still be made even without the subsidy from the City, but Regina City

Council says it is necessary to subsidize in order to keep green fees user accessible. Without the subsidy, golfers would have to pay an extra 45 cents a round. The City of Saskatoon does not subsidize its golf courses and the extra 45 cents is not a problem for golfers. Regina

New format for THE TAXPAYER

The *Taxpayer* will have a new look in the next issue. We will be changing from our newspaper format that we have used for the past five years to a magazine style publication. We trust you will enjoy the new layout.

by Dean Smith

What IS DIRECT DEMOCRACY?

The word "democracy" is derived from a Greek word which means *demos*-people and *kratos*-rule.

This word "democracy" described the form of government that developed in the city-state of Athens around 500 BC. At that time, every citizen had a direct vote in the Assembly which governed their city state. The Assembly initiated and passed laws and this is what the Greeks understood democracy to be. This system was established to stop the abuse of power that the Greeks had experienced under a variety of dictatorial regimes. In fact, the saying "governors are to be governed" was used to describe this new system called democracy.

Of course, Athenian democracy did have its flaws. Only free men were considered to be citizens, meaning women and slaves couldn't vote in the Assembly. It's estimated that Athens had nearly 100,000 slaves compared to just 30,000 citizens, and some argue that the slaves were essential since the men were so active in politics, they needed others to do the actual work.

This heavy political involvement on the part of the citizens proved unworkable in the long term; however, many consider this period to be the height of Greek culture.

This compares to the representational form of government used in Canada. Here people only have an indirect say in government since we ~~now~~ elect people who are supposed

to represent our views in the legislature. Unfortunately, this isn't happening.

Last year, for example, Liberal MP John Nunziata voted against his government's budget because it didn't abolish the GST as promised in the previous election. At this point, Nunziata chose to represent the views of his constituents over the party. In response, Prime Minister Jean Chretien kicked Nunziata out of the Liberal caucus, and Canadians saw first hand that MPs are not elected to represent their constituents' views, but their parties'.

Many have suggested that

Restoring Greek democracy



(rule by the few), aristocracy (rule by the land owners) and tyranny, the Greeks moved towards Direct Democracy as a way to reduce the autocratic powers of the state. In fact, the phrase 'governors are to be governed' was used to describe this form of democratic government. Some would suggest that our current form of government is simply another version of the Greek oligarchy: "party-cracy" - rule by the political party.

under the party system, Canadians elect a dictator for four or five years. It's obvious that we have fallen away from those early Greek ideals of full citizen participation. In fact, in this past federal election only 67% of eligible Canadians even bothered to vote. Why? Many are becoming increasingly frustrated that they have very little control over the actions of the people they elect. Politicians can promise one thing, then do another, and citizens are powerless to stop it. This declining participation indicates that democracy in Canada is not thriving as it should.

So what is the solution?

What the Greeks called democracy 2,500 years ago, is referred to as Direct Democracy (DD) today. DD involves giving every citizen a direct say in the decision-making process of government through referendums and citizen initiatives.

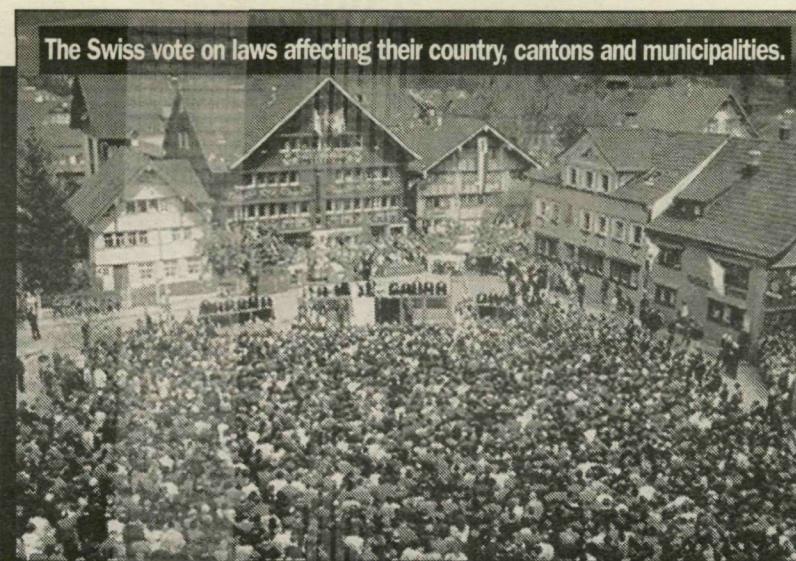
Referendums are initiated by the government and give citizens the right to vote on issues with the results being binding on the government.

With citizen initiatives, people can actually initiate their own laws through a petition process. The results again are binding on government, and must be enacted into law if approved by the voters. These initiatives can also be used to change or reject any bill passed by the legislature.

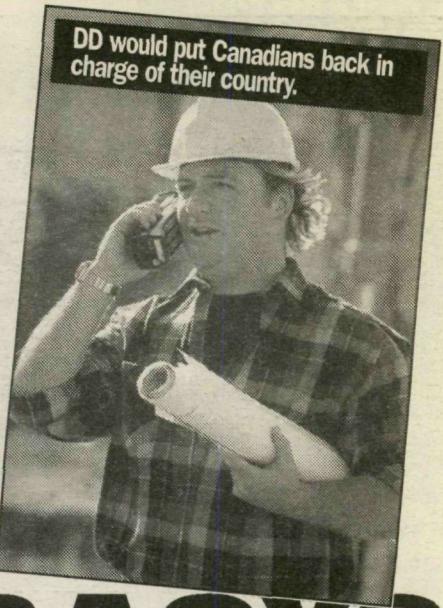
Under this system, a full-time legislature is necessary to handle the day-to-day running of government. But DD makes the politicians accountable to the people.

Some say this accountability is already there, since Canadians can always boot out the government. While this is true, it doesn't work. By the time a party is defeated, the damage has already been done. In 1917, the federal government instituted a TEMPORARY personal income tax to raise money to fight the war. Sixty years later, we are still fighting it.

Without DD, the legislature will eventually fall into a form of tyranny where the will of the few is imposed on the many. Some would argue we are already there. ■



The Swiss vote on laws affecting their country, cantons and municipalities.



DD would put Canadians back in charge of their country.

tax-payer lingō

Referendum:

A vote that allows voters to make the final decision on a particular piece of legislation. The results of a referendum are usually binding on the government. The government initiates the referendum and determines the wording of the question.

Citizen's Initiative:

A process through which citizens can initiate a referendum vote which is binding on the government by way of a petition. It is used to pass, amend, or appeal specific laws. Typically, citizens are required to collect a petition containing a minimum number of signatures of registered voters within a predetermined amount of time. The citizens are the ones who determine the wording of the question for the vote.

Voter Veto:

Citizens have the right to veto bills passed by the legislature. If sufficient names are gathered on a petition, the bill is put to a referendum. Normally, the petition requirements for a voter veto are less than for initiating a law. In some jurisdictions, the bill doesn't become law until citizens have had the right to challenge it through a petition process.

Plebiscites:

A vote which is held to allow voters to express their preference on a particular issue. The outcome of a plebiscite is advisory only and is not binding on the government. These are sometimes referred to as indirect initiatives. ■

By V.J. Schmit

"When the legislative direction of a community is under the control of its citizens, that community will truly reflect the character and qualities of its citizens. A feeling of ownership and confidence takes hold and City Hall is not the bureaucratic enemy which cannot be beaten, City Hall becomes the tool which citizens use to develop their community goals." A Constitution for Local Government - Rossland, B.C.

While the city of Rossland, B.C. might not look much different from other small mountain communities at first glance, it may serve as a guide for all Canadian communities. Rossland is a Canadian working example of direct democracy in action.

Despite its picture-perfect setting, the community is not without challenges. It was built on a mountainside, featuring grades of up to 25%. And in an average winter, Rossland will see 144 inches of snow. The combined terrain and climate have made it a planning and budgetary nightmare. To top it off, Rossland has a poor tax assessment base (95% residential) from which to service the city.

Addressing the challenge...

Fortunately, their innovative Council was capable of taking the challenge and turning it around into a positive, workable situation. Rossland City Council has given citizens a direct say in their local government. It is citizens - not elected officials - who decide whether taxes will be raised to pay for the city's needs. The citizens - not the politicians - decide whether spending should be cut, kept in line, or increased. In Rossland, the people are in charge.

According to Swiss-born Andre Carrel, the city's Administrator, the idea of using referendums was prompted by a controversial land decision made by a prior council. At that time the attitude was that if people didn't like the decision

sions of Council they could vote them out at the next election. "In the meantime, the damage is done," Carrel says. "Getting to vote for someone else is of little consolation."

As a way to restore public confidence, Rossland City Council took on the status quo, and decided it was time for democratic rights in Canada to be expanded. That meant putting democracy in the hands of the people themselves. In September of 1990 the Constitution Bylaw was introduced and on November 17, 1990, the Municipal Constitution was adopted by an 84% majority in a local referendum.

Province tries to intervene...

After the bylaw was adopted, the town council received a letter from the Executive Director of Local Government Services from the

Ministry of Municipal Affairs. The letter listed two points which the Ministry said rendered aspects of the bylaw illegal. It closed by stating, "The Ministry has serious long-term concerns over the capability of Council, under this regime, to adequately address fiscal, health, safety and other concerns that, while limited in popularity, do from time to time require action in the public interest."

Despite the concerns of the Ministry, Rossland Council decided to implement the bylaw, considering it a contract between the local government and the people they were elected to serve.

Using the tools of direct democracy...

Since the adoption of the

Bylaw, Rossland residents have voted on six referendums. Three questions were placed on the ballot as a result of petitions and three questions by the Council directly. Three of those referendums were held in an attempt to raise the indemnity paid to members of Rossland's Council. All three were defeated by a 55% no to a 45% yes margin.

In 1991, Rossland residents voted 58% in favour of a special \$100 tax on every property in the city. The purpose was to establish a Water Quality Reserve to eventually replace their existing chlorination system with a water treatment or filtration plant. Council sold the special tax on the proposition that by earning interest on a reserve

fund, future interest payments on borrowed money could be avoided.

Another referendum dealt with expanding municipal boundaries. It increased Rossland's area by seven times, but added fewer than 50 citizens. Council proposed to incorporate the Red Mountain ski area to facilitate the servicing and development of the base area, and to incorporate all of the City's watersheds, including a provincial recreation park. Approximately 65% of Rossland residents voted in favour of the boundary expansion, and even more impressive was the fact that the Rossland's voters list grew by 15% as many people who had quit voting in municipal elections registered to vote on this issue.

The last referendum put to Rossland's voters dealt with the Constitution Bylaw itself. Council had proposed to increase the petition requirement from 20% to 33% of registered voters to prevent special interest groups from abusing the system. The initiative was defeated by a 2-to-1 vote.

The successful history of the Rossland Constitution Bylaw is an example for Canadians of how effectively government and citizens can work together when the ultimate goal is for the common good and when given the opportunity.

by Dr. Mark Lee

DIRECT DEMOCRACY in 1913

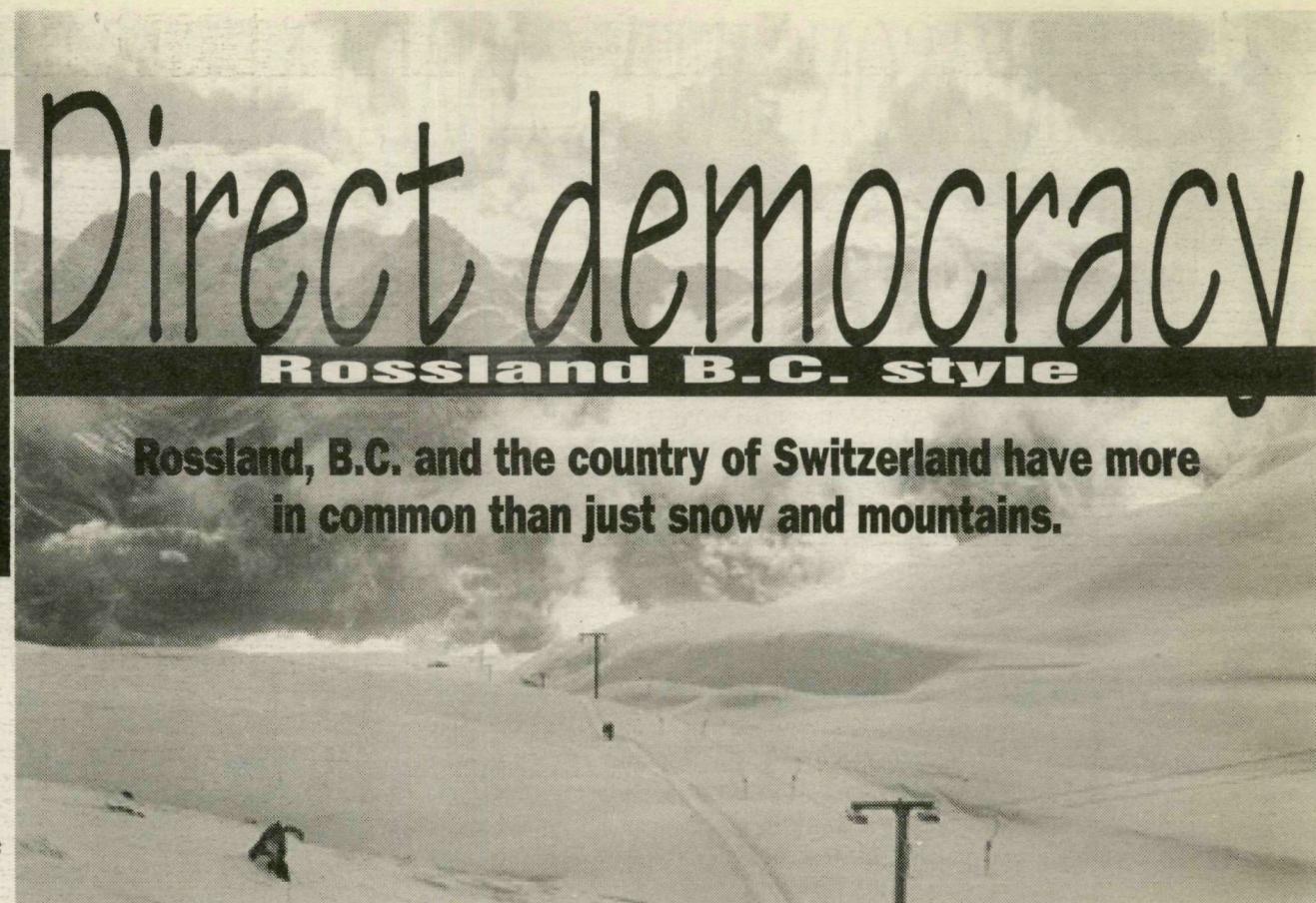
Direct Democracy (DD) is viewed by some as a "modern" political movement. You might be surprised to learn that Saskatchewan was on the leading edge of a strong movement for greater democracy in the early part of this century, becoming the first province in Canada to pass a DD statute.

The Direct Legislation Act, introduced by the

Liberal government of Premier Walter Scott, was passed by the Saskatchewan legislature during the 1912-13 session. While this legislation did little more than provide for an occasional plebiscite, it set the stage for a democratic evolution within Canada.

Historically, there were a few key driving forces behind the DD movement in Western Canada. One influence came from the United States. During the

Continued on page 9



Rossland, B.C. and the country of Switzerland have more in common than just snow and mountains.

15 REASONS WHY CANADA NEEDS DIRECT DEMOCRACY

1.

Accountability in the political system

Direct Democracy makes politicians accountable, because it gives average citizens the legal right to change laws. This can be seen in Switzerland where citizens have "veto power." Before any law can be passed by the Swiss parliament it must be presented to the people for a period of three months. During this period of time, the Swiss have the right to put the issue to a national referendum through a petition drive. When this law was first introduced, about 12% of the Swiss laws were challenged under this system, with 60% of them being defeated in national referendums. Since then the challenges have dropped off substantially and now hovers around 4% as Swiss politicians finally realized they could only pass laws the people wanted.

3.

A way to focus on specific issues

Many people vote for the party they believe will do the least harm. Rarely are individual voters in total agreement with a party's entire platform. Nevertheless, parties interpret election results as a total approval of their entire platform. Under Direct Democracy, Canadians would be able to deal with issues on an individual basis. As well, referendums allow individuals to express their views on new issues that were not raised during the previous election campaign.

4.

The majority really does rule

Under our current system, it's possible for a party to receive a mandate to govern without receiving the support of the majority of the people. In the 1990 Ontario election, the NDP received only 37.5% of the vote, but won 57% of the seats and formed the government. In the recent federal election, the Liberal party received 52% of the seats with only 38% of the popular vote. With DD in place, the party in power would still be governed by the majority.

DD would make governments accountable to the people.

6.

Representation replaces party puppets

Political parties wield tremendous power over MPs and MLAs who were chosen to represent the electorate's wishes. On April 23, 1996, John Nunziata (an MP from Ontario) was kicked out of the Liberal caucus. His crime? He voted against the federal budget because the Liberal party had not fulfilled its promise to get rid of the GST. Nunziata had chosen to represent the views of his constituents over that of his own party.

7.

Increases citizen participation

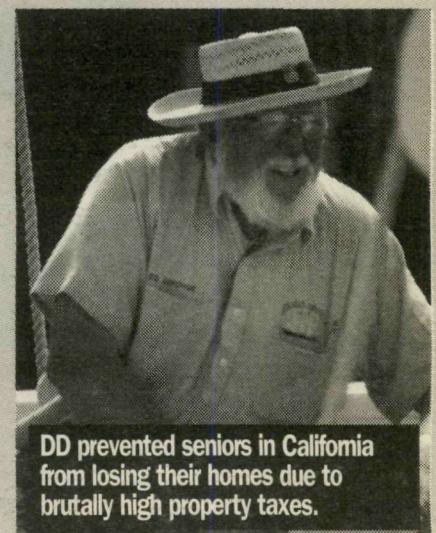
DD would permit the public to be more than spectators in the governmental process. During the Charlottetown Accord, citizens debated and discussed the important issue of our Constitution like never before. This occurred because the future of the country had been put in our hands. This kind of public participation is healthy for any democracy. In fact, when the community of Rossland, B.C. allowed their citizens to initiate referendums, their voters list grew by 15%, meaning people who had never voted before were now motivated to partici-

2.

DD protects taxpayers

Politicians sometimes pass laws that are clearly harmful to citizens. During the late 70s, California decided to assess property taxes according to the actual value of the house. When housing prices began to increase rapidly, property taxes leaped as much as 200% in a single year. Municipalities began wracking up massive surpluses, while seniors and middle class homeowners were being driven from their homes. Houses were quickly becoming affordable only to the rich. Laughing all the way to the bank, the politicians did nothing. Fortunately, Californians can initiate referendums through a petition drive and actually change laws. This led to Proposition 13 which forced the government to assess property taxes based on the 1975 value of the homes and only allowed taxes to increase by 2% a year. When houses were resold they could be reassessed at their new value, and then the 2% provision would kick in again. In a massive

two-to-one majority, Californians told politicians that if they couldn't live with a minimum yearly increase in revenues of 2%, they were the ones with a problem.



DD prevented seniors in California from losing their homes due to brutally high property taxes.

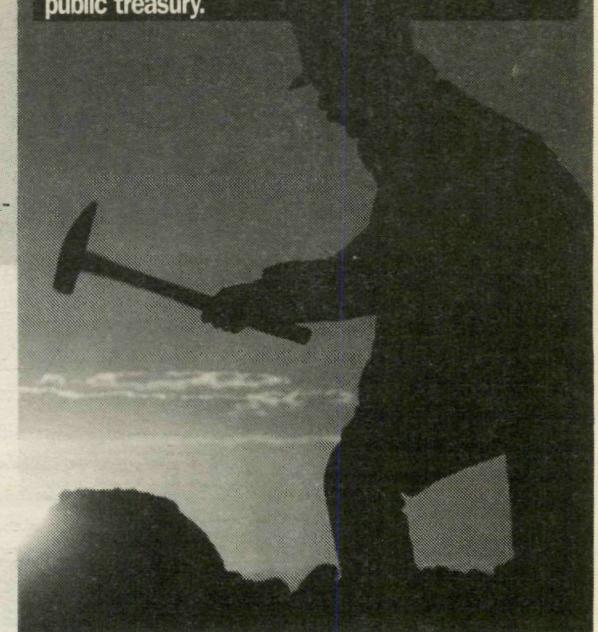
5.

Stops politicians from robbing the treasury

One of the most frustrating aspects of Canadian politics is watching politicians reward themselves from the public treasury. A classic example of this is the MPs' pension plan which can potentially hand out million dollar pensions. Citizen initiatives could be used to stop this kind of abuse, which may be the main reason many politicians resist them. In 1973, politicians in the state of Washington gave themselves massive pay hikes. This included a 45% salary increase for the Governor and a doubling of the Secretary of State's salary. Their pensions were also increased, in some instances nearly doubling. The citizens of Washington were incensed. They initiated a referendum by collecting a petition containing

the names of 4% of the registered voters and overwhelmingly agreed to limit political salary increases to just 5.5% a year. Certainly fair.

DD prevents politicians from striking it rich in the public treasury.



8.

Full-time democracy

In a representative form of government, we elect politicians every five years or so. Unfortunately, between elections we essentially have a form of dictatorship where politicians are free to break their promises and ignore their constituents. Voting them out at the next election is usually too late since the damage has already been done. Case in point - the Conservatives were wiped out in the 1993 federal election due largely to the implementation of the GST. Four years later we still have it.

pate. Politicians have argued that average Canadians are incapable of understanding the issues and therefore are not qualified to make decisions. Of course, this was the same argument used to prevent women from voting. If politicians don't believe Canadians are capable of making important decisions, what does this say about the people who voted for them in the first place? Advancements in media and education basically wipe away any of these arguments that may have had some validity a few decades ago.

9.

Governments are forced to prioritize spending

Politicians must find out what is important to taxpayers and spend their money in those places. There is a big difference between what we want and need. Sure a few Canadians may want to spend \$1.8 million on a three-striped painting called "Voice of Fire." But the VAST MAJORITY OF CANADIANS don't believe for one minute that we need another American painting hanging in what's supposed to be our national gallery. Polls indicate that people want education and medicare, not billions of dollars in business subsidies and arts and culture handouts. With DD, government would be forced to focus on the priorities of Canadians.

10.

It stops the cynicism

Many Canadians are becoming increasingly cynical about our current political system. People are frustrated with politicians who don't keep their promises and who represent their parties' wishes over the constituents who elected them in the first place. By giving citizens an opportunity to make their own petitions and change laws, much of this anger and resentment can be dispelled. In Rossland B.C., the town council introduced a by-law that allows its citizens to challenge by-laws and even introduce their own by-laws if they want. According to Andre Carrel, the town administrator, complaints to the town hall have almost completely stopped. Why? Well, if people don't like a particular by-law, they can change it, provided they can drum up enough support.

11.

It limits the influence of special interest groups

In our current political system, special interest groups wield tremendous power. Ottawa is inundated with full-time lobbyists who are paid to pressure governments to pass certain types of laws. They are successful because they often have personal connections with politicians. Others are able to get the ear of government because they only need to influence a few politicians. Due

largely to the lobbying efforts of one individual, Regina City Council passed a by-law in 1992 requiring all new restaurants with over 50 seats to have a breast feeding room. The law was later rescinded, but not before a number of restaurants had added the costly room.

Similarly in 1995, the Feds were ready to institute a massive tax hike. Why? Because they thought Canadians were willing to pay. They reached this conclusion from a number of pre-budget meetings stacked with special interest groups clamoring for more tax dollars. Many of these groups had actually received government money to attend these meetings.

Businesses and other groups can also manipulate our current system through massive contributions to political parties. At the federal level, the Liberal and Progressive Conservative parties have received \$70 million in corporate donations since 1990. The NDP receives substantial funding from unions. Does any of this money come with a price tag?

Special interest groups can concentrate their ef-

forts and dollars on a handful of politicians. With DD in place, these groups would have to convince millions of Canadians, a far more difficult task. Some suggest that this would still be possible with big dollar campaigns. In fact, the opposite is true. The 1992 Charlottetown Accord proved that people will not be hoodwinked by massive budgets and slick advertising campaigns. In California, an environmental initiative was passed on a budget of only \$9,000.

12.

Whose country is it?

Under the current system of representative government, 301 people are defining what Canada is. Under DD, millions of Canadians would actively participate in the process. Some argue that with DD, the will of the majority could potentially hurt the rights of the minority. However, the evidence says otherwise. During the 60s, the Swiss were complaining that too many immigrants were coming into their country and taking away jobs. Rather than allowing this resentment to brew and grow, the Swiss initiated a referendum. The results were surprising. Although the referendum law initially limited the amount of foreign workers in the country, it allowed the number to increase each year. In 1960, 9.5% of the workers were foreign but today the number is around 25%. Interestingly there has been no backlash, because at any point the citizens can change the law. Can you imagine the resentment in Canada if the politicians allowed similar numbers here? But give people the right to control their own destiny and it's surprising what they will do.

13.

Canadians want Direct Democracy

A *Financial Post* poll in December 1994 indicated that nearly 80% of Canadians felt that debt and taxes needed to be controlled, and the majority favored referendums as the way of doing this. Quattro Associates, a Winnipeg-based public research company, polled residents in August 1995 and found that 61% of Winnipeggers felt they should have the final say on large expenditures by City Hall. In the 1991 B.C. provincial election, over 1 million said they wanted the right to vote on referendums in that province. In fact, more people voted in favour of referendums than supported the top two political parties in that particular election, suggesting a broad range of support for referendums among people of all political persuasions.

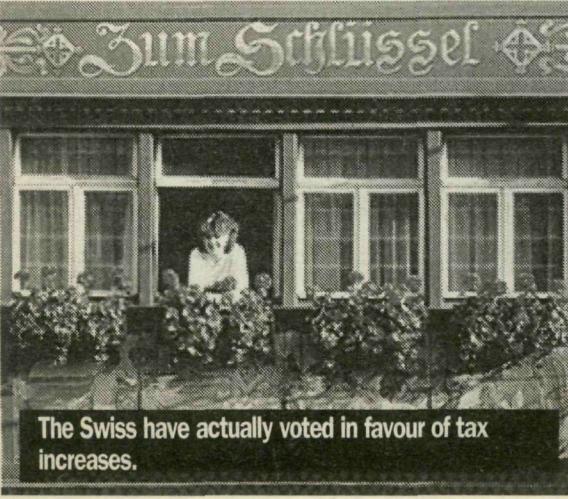
14.

It forces governments to justify their actions

Once in power, governments rarely justify their actions to the electorate, because many politicians arrogantly believe that average citizens can't understand the issues. Of course, politicians used this same reason to stop women from voting. In Switzerland, if their parliament wants to raise additional taxes it must, by law, take the ini-

tiative to a nation-wide vote. Twice over the past decade, the Swiss have rejected income tax increases and even the introduction of a VAT (similar to a GST). Opponents have argued that with DD governments would never be able to increase taxes. This, unfortunately, is not true. What may come as a surprise to many Canadians, is that the Swiss have actually voted in favour of increasing gas taxes. And in 1993, after rejecting VATs twice they voted in favour of it.

The big difference in Switzerland is that their government must justify any tax increases. People realize that if they want good roads, a certain amount of tax dollars are necessary. Taxes become hard to swallow when there is an incredible amount of waste in other areas.



15.

It's part of our history

It may surprise many Canadians that referendums and plebiscites have played an important role in this country's history. In the early part of this century, B.C., Alberta, Saskatchewan and Manitoba had laws in place authorizing the use of referendums. In fact, it was through just such a referendum vote in 1919 that British Columbia men gave women the right to vote. At the national level, Canada held national plebiscites in 1898 on prohibition and on conscription for overseas military service in 1942. Over 60 plebiscites have been held at a provincial level and many more at the municipal level.



Citizen initiatives (CI) refers to a process which empowers citizens enabling them to initiate and pass legislation themselves. In layman's terms, it is known as ballot-box law-making, and the political pendulum is swinging in favour of citizens having this right to participate more directly in the process of governing.

The process of CI is such that by collecting a sufficient amount of names on a petition, citizens are able to initiate a referendum vote on a particular issue. If that referendum is supported, the government must enact the proposition into law. Such petitions must contain a predetermined number of names of registered voters from the previous state election. In the U.S., this can range from 3% of the total votes cast for governor in the state of Maryland, to 15% of the total votes cast in the last general election in Wyoming. Obviously, the higher the percentage the harder it is to initiate such a referendum. There is also a time-frame involved. Citizens are generally required to register

their intent to initiate a referendum and then are given a specified amount of time to collect the names.

As well, in many instances, initiative laws make sure there is an even distribution of interest across the whole country or region. This prevents any one area from being able to dominate the political process. For example, in Massachusetts the petition must contain 3% of the number who voted for governor in the previous election, and no more than 25% of the

names can come from one county. The state of Utah requires that the petition contain 10% of the registered voters with at least half the counties having 10% of their voters on the petition.

Wyoming requires that the petition contain 15% of the voters from at least 2/3 of the counties.

Critics argue that CIs are expensive, however, a substantial portion of the costs for national elections can be eliminated through the use of a permanent voters' list as was set up for our past federal election. As well, legislation enacting citizen initiatives can state when such votes can be held. For example, in Alaska, a vote is held in conjunction with the first state-wide election 180 days after the legislative session. In North Dakota, a vote is held during a special primary or general election.

Is it workable? Experience so far shows that not only is it workable, in reality it makes the process of government far more responsive than the present system we call democracy. ■

Ballot-box LAWMAKING Part II

By V.J. Schmit

Citizen STOP initiatives tax grabs in the U.S.

In the US, citizen initiatives are a welcome process used extensively to protect taxpayers' wallets from the pickpockets in government.

In California, for instance, voters used petitions to force state-wide referendums on a number of tax related issues. In the process, they reduced property taxes, eliminated gift and inheritance taxes, stopped indexed income taxes and adopted a state lottery tax, enacted campaign finance reforms, guaranteed school funds, raised tobacco taxes, regulated toxic materials, rolled back auto insurance rates, reformed the criminal justice system, protected wildlife and adopted term limits for elected officials.

During the 1996 presidential elections in the United States, voters used the opportunity to keep politicians in line by sending a strong pro-taxpayer message to elected officials. In Maryland, for example, a citizen initiated tax limit measure to ensure majority vote approval for any tax increase was overwhelmingly approved.

In Arizona, Proposition 101 which provides a per-

sonal property tax exemption of \$50,000 for agriculture, trade and business was approved. In Florida, Question 1's overwhelming approval means that two thirds of the people have to vote in favour of any new constitutionally imposed tax or the removal of any tax exemption, making it extremely difficult to enact a state income tax.

The success of tax limitations was equalled by the rejection of measures to expand government or impose new taxes on U.S. people.

In Colorado, Amendment 11 was rejected, which means that non-profit groups continue to have real property tax exemption.

In Florida, a proposed levy of one cent per pound on sugar grown in the Everglades, ear-marked for Everglades "conservation," was rejected by voters.

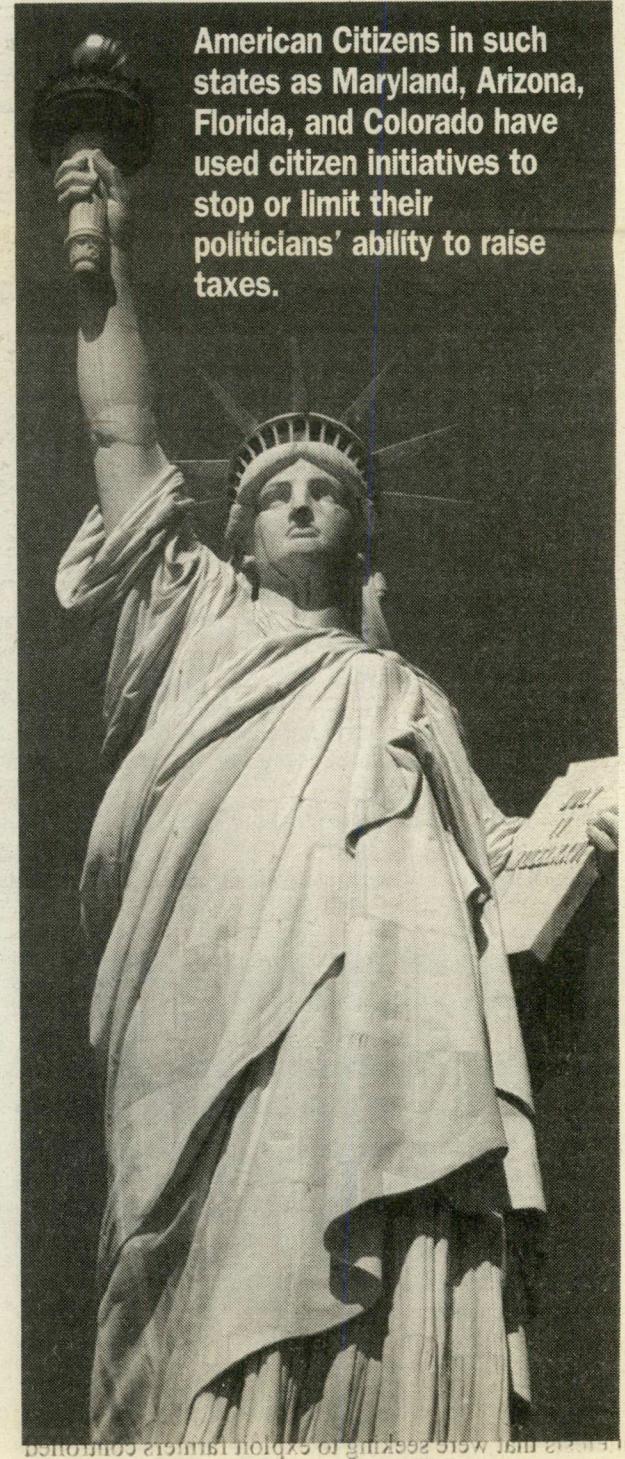
These examples show the effectiveness of people participating directly in the political process. Contrast this to the sense of frustration Canadians have when looking at the affairs of our government.

Would it be dreaming to see federal and provincial taxpayer protection legislation enacted, simply by having the signatures of enough Canadian residents to put it to a vote, perhaps in sync with a federal election?

Would the GST still haunt us if Canadians could force government to put it to the vote of the people? Would voters in B.C., Ontario and Saskatchewan, all hit with dramatic changes in their property tax burdens, have approved the new assessment systems recently implemented by their respective governments?

Unfortunately, those questions cannot be answered, because at present, governments here have been unwilling to give up the power and control they have, and return it to its rightful place — the hands of the citizens. Ballot-box lawmaking. What a concept! ■

American Citizens in such states as Maryland, Arizona, Florida, and Colorado have used citizen initiatives to stop or limit their politicians' ability to raise taxes.



Jurisdictions using Citizen Initiatives

Jurisdiction	Voter veto	Citizen initiated constitutional amendments	Citizen initiated statutes
	Size of petition needed to trigger vote	Size of petition needed to trigger vote	Size of petition needed to trigger vote
The United States			
Alaska	10% total votes cast in last general election from 2/3 election districts.		10% total voters in last election from 2/3 of the election districts.
Arizona	5% total votes cast for position of governor in the last election	15% total votes cast for position of governor in the last election	10% total votes cast for position of governor in the last election
Arkansas	6% total votes cast for position of governor in the last election	10% total votes cast for position of governor in the last election	8% total votes cast for position of governor in the last election
California	5% total votes cast for position of governor in the last election	8% total votes cast for position of governor in the last election	5% total votes cast for position of governor in the last election
Colorado	5% total votes cast for all candidates for the office of Secretary of State at the previous general election	5% total votes cast for all candidates for the office of Secretary of State at the previous general election	5% total votes cast for all candidates for the office of Secretary of State at the previous general election
Florida		8% total votes cast in the state as a whole on the last presidential election, 8% from 1/2 the Congressional districts	
Idaho	10% total votes cast for position of governor in the last election		10% total votes cast for position of governor in the last election
Illinois	10% of eligible voters	8% total votes cast for position of governor in the last election	
Kentucky	5% total votes cast for position of governor in the last election		
Maine	10% total votes cast for position of governor in the last election		10% total votes cast for position of governor in the last election
Maryland	3% total votes cast for position of governor in the last election		
Massachusetts	3% total votes cast for position of governor in the last election	3% total votes cast for position of governor in the last election, no more than 25% from 1 county	3% total votes cast for position of governor in the last election, no more than 25% from 1 county
Michigan	5% total votes cast for position of governor in the last election	10% total votes cast for position of governor in the last election	8% total votes cast for position of governor in the last election
Mississippi		12% total votes cast for position of governor in the last election	
Missouri	5% total votes cast for position of governor in the last election from 2/3 of the election districts	8% total votes cast for position of governor in the last election, 8% each from 2/3 of the Congressional districts	5% total votes cast for position of governor in the last election, 5% each from 2/3 of the Congressional districts
Montana	5% total votes cast for position of governor in the last election from 1/3 of the election districts	10% total votes cast for position of governor in the last election, 10% each from 2/5 of the state legislative districts	5% total votes cast for position of governor in the last election, 5% each from 1/3 of the State legislative districts
Nebraska	5% total votes cast for position of governor in the last election from 2/5 of the counties	10% eligible voters, 5% each from 2/5 of the counties	7% eligible voters, 5% each from 2/5 of the counties
Nevada	10% eligible voters in the last general election	10% total voters in last general election, 10% each from 3/4 of the counties	10% of total votes cast in last general election, 10% each from 3/4 of the counties
New Mexico	10% eligible voters in last general election, from 3/4 of the counties		
North Dakota	2% total population	4% resident population	2% resident population
Ohio	6% total votes cast for position of governor in the last election, 3% each from 1/2 of the counties	10% total votes cast for position of governor in the last election, 1.5% each from 1/2 of the counties	3% total votes cast for position of governor in the last election, 1.5% each from 1/2 of the counties
Oklahoma	5% total votes cast for the office receiving the highest number of votes in the last general election.	15% total votes cast for the office receiving the highest number of votes in the last general election	8% total votes cast for the office receiving the highest number of votes in the last general election.
Oregon	4% total votes cast for position of governor in the last election	8% total votes cast for position of governor in the last election	6% total votes cast for position of governor in the last election
South Dakota	5% total votes cast for position of governor in the last election	10% total votes cast for position of governor in the last election	5% total votes cast for position of governor in the last election
Utah	10% total votes cast for position of governor in the last election		10% total votes cast for position of governor in the last election, 10% each from 1/2 of the counties
Washington	4% total votes cast for position of governor in the last election		8% total votes cast for position of governor in the last election
Wyoming	15% total voters in the last general election from 2/3 of the counties		15% total votes cast in last general election, from 2/3 of the counties
U.S. Virgin Isls	10% of eligible voters		10% of the election districts
Switzerland			
National	Petition must contain the names of 50,000 registered voters	Petition must contain the names of 100,000 registered voters	Petition must contain the names of 100,000 registered voters
Canada			
Rossland, B. C.	Petition needs 20% of registered voters	Petition needs 20% of registered voters	Petition needs 20% of registered voters

by Dr. Mark Lee

DIRECT DEMOCRACY in 1913

Continued from page 5

early part of this century a number of Americans immigrated to Canada's West, bringing with them an individualistic ideologies and some practical experience with the mechanisms of Direct Democracy.

But a major factor in the expansion of the movement on the Prairies was the influence of farm organizations. By the early 1900s, farmers in the West had become increasingly skeptical of the existing political system, and had little faith in its ability to legitimately represent them. Many farmers came to believe that the same interests that were seeking to exploit farmers controlled

government. The established political parties were viewed as being subservient to the railways, the banks, the grain trade, and monopolies and trusts in general.

As a result of what they saw as a corrupt political system, farmers looked to DD legislation to provide them with a mechanism to voice their concerns over those of "big business" politicians. Farm organizations from Alberta, Manitoba and Saskatchewan had a significant influence in the early movement for democratic reforms.

Other interest groups, particularly those concerned with moral reforms such as the temperance movement, also supported these measures. They viewed Direct Democracy legislation as a means of obtaining specific objectives. These special interest groups, however,

tended to lose interest once their cause had been accomplished or abandoned.

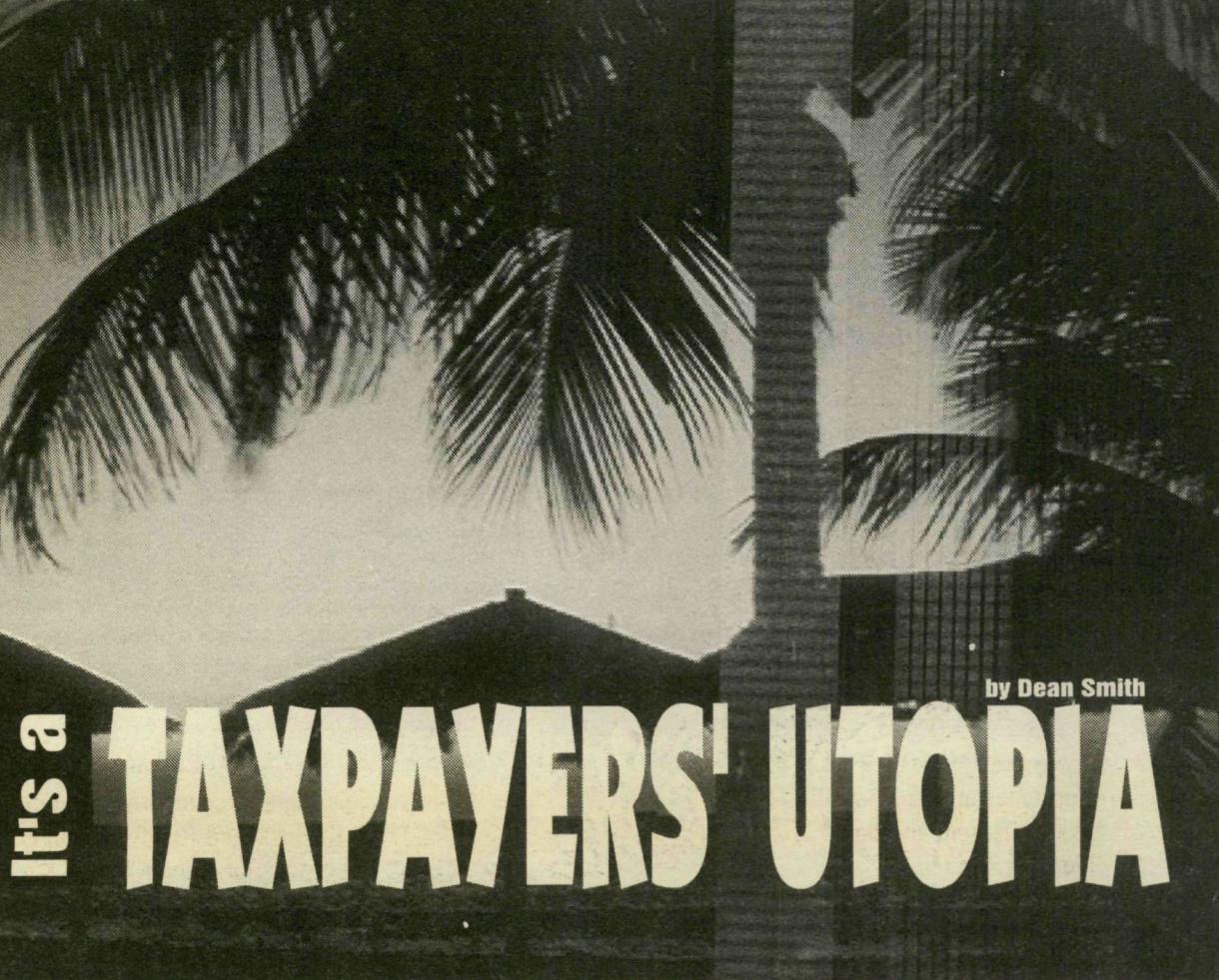
Provincial governments and the political parties themselves eventually undertook the adoption of DD legislation. As farm organizations and even special interest groups pushed for such measures, politicians were forced to recognize the democratic will.

Direct Democracy legislation was eventually adopted in all four western provinces. First in Saskatchewan in 1913, followed by Alberta later that same year. Direct democracy legislation soon followed in Manitoba in 1915, and finally in B.C.

However, the legislation was eventually pulled back for various reasons, as politicians sought to consolidate their powers once again in the legislature. ■

- ◆ The country enjoys one of the highest standards of living in the world.
- ◆ Its unemployment rate hovers around 3%.
- ◆ It has little or no inflation.
- ◆ Its citizens have one of the highest life expectancies in the world.
- ◆ The murder rate among men is almost half that of Canada

- ◆ It has been selected by the *Economist* magazine as the best place in the world to live.
- ◆ It's considered one of the most credit worthy countries in the world.
- ◆ It has four national languages and yet the people seem to live in relative harmony.
- ◆ Politicians are forced to listen to their citizens.
- ◆ It has low rates of taxation.



IT'S A TAXPAYERS' UTOPIA

by Dean Smith

Sounding more like utopia than any other industrialized nation, Switzerland has achieved a lifestyle envied by many around the world. Yet this small land-bound nation has been able to achieve this with a virtually non-existent resource base.

Perhaps not surprisingly, the country's elected politicians can take little credit for the creation of this utopic state, since the real decision-making power for this nation lies in the hands of the people.

Switzerland is a true citizens' state. Its political process gives ordinary people the final say on the laws that govern their nation.

Since 1848, referendums have been used to govern the country and in some areas can be traced back to the Landesgemeindes of the 13th century in the forest and mountain cantons. These were public meetings in the town square where people gathered to vote on important issues with a simple show of hands.

Today, the Swiss parliament

can't pass any law until citizens have had the opportunity to decide whether or not they want it. Once any law is approved it is placed directly before the people, and for the next three months, the Swiss citizens have the right to challenge the law. If a petition containing the names of 50,000 eligible voters is gathered, the law must be put to a referendum vote. The results are binding on the government. If the law is not challenged during this three-month period, it comes into effect.

Tax laws are automatically put to a referendum vote without going through the petition process.

The Swiss people also have the right to initiate new laws as well. Again using a petition, they can put a particular proposal to a national referendum vote by collecting a petition containing 100,000 signatures of registered voters. The names must be collected over an 18-month period and if approved in the referendum, the Swiss parliament must enact the law.

The government can also initiate

referendums and can even put forward a counter-measure giving voters an opportunity to accept the government's measure versus the citizens' initiative.

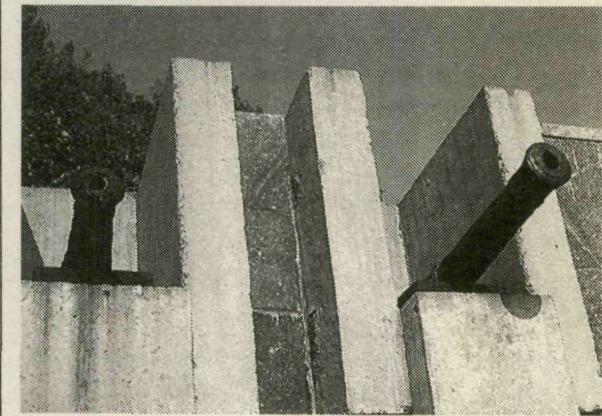
Citizens can also initiate changes to the Constitution which can affect a broad range of laws. Such changes can be put to a national vote by a petition containing 100,000 names.

Referendum votes are scheduled four times a year at regular times, provided one has been initiated.

Over the years, the Swiss have dealt with a number of issues that have helped to define their country. In 1986 they rejected participation in the United Nations. They accepted a ten-year moratorium on the construction of nuclear power plants in 1990, implemented an unemployment insurance program in 1976, and rejected attempts to lower the age at which people can collect their pensions.

By giving people a direct say in how their country is being run, they have been able to hold their country together for nearly a thousand years. ■

BEATING city hall with citizen initiatives



While Canadian politicians are cool to the idea of allowing citizens to control taxes through referendums and initiatives, in Fairbanks, Alaska, taxpayers are the winners because the law lets them be.

Over the past few years, citizens in Fairbanks have used citizen initiatives many times to keep their government accountable.

For example, when the end of the pipeline boom forced private-sector wages down, residents found themselves still supporting inflated public sector wages, big government spending, and rapidly increasing taxes. The Interior Taxpayers Association (ITA) introduced initiatives to put a cap on city revenues which could only be removed by a vote of the people. It took considerable work to have the issue brought to a vote, as petitions were actually filled out and voted on twice. The first cap was thrown out by the court when the records supporting it mysteriously disappeared from the City Clerk's Office.

Certain politicians interpreted the cap as covering only property taxes and enacted other types of taxes without voter approval. Since the cap is permanent in the City Charter, an initiative was undertaken to clarify that the cap applied to all revenues. The initiative easily passed, and now if one tax is introduced or raised without the approval of city residents, then the government must lower another tax to keep its revenues neutral.

Outside Fairbanks is the North Star Borough. Unlike the city, it's governed by state law which allows citizen initiatives, but limits the life of these proposals to two years. Consequently, caps have been sponsored five times to keep taxes from increasing.

As well, when the Borough initiated a sales tax, ITA sponsored a referendum for the residents. The Borough fought the right of the people to file the referendum and arbitrarily collected the taxes without waiting for the vote. The issue was taken to the Supreme Court, and when the vote was finally taken, the tax was rejected.

Allowing citizens to participate in their government has replaced arrogance with responsibility on the part of elected officials in Fairbanks, where politicians are bound by law to act as their citizens wish. It's time for Canadians to have the same rights. ■

Porking out through electoral defeat

By Tanis Niemcow

DOn June 3, 1997, one day after the federal election, eight defeated MPs won the MP Pension Lottery. They are eligible for millions of dollars in pension payouts if they live to age 75.

The National Citizens' Coalition released the names of these MPs and what they could potentially win. Considering many will return to work in the private sector, they could conceivably receive twice the income they were making as an MP.

For example, former Minister of Defense Doug Young, who will probably return to work as a lawyer and is reportedly sitting on the interests he sold from a multi-million dollar television

empire, is expected to receive just over \$1 million in pension payouts.

The biggest winner could be former Health Minister David Dingwall who is eligible for over \$3 million in pension benefits if he lives to be 75.

The only good news from this election is that 29 defeated MPs are not eligible for the outrageous pension. Their losses saved taxpayers an estimated \$18 million in eventual payouts.

Unfortunately, these numbers don't include the 16 MPs who retired prior to the election and could eventually cost taxpayers an additional \$14 million.

While Canadians are outraged, the Liberals have shown little interest in changing the plan. ■

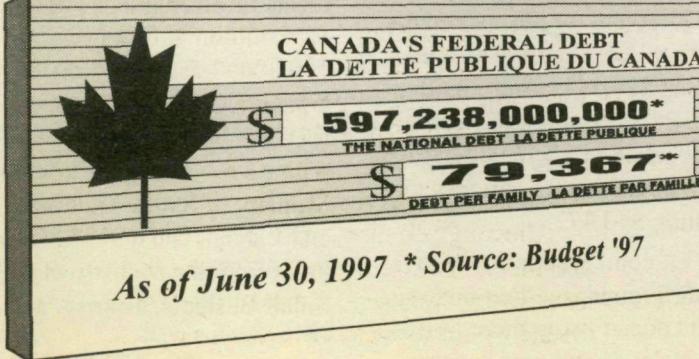
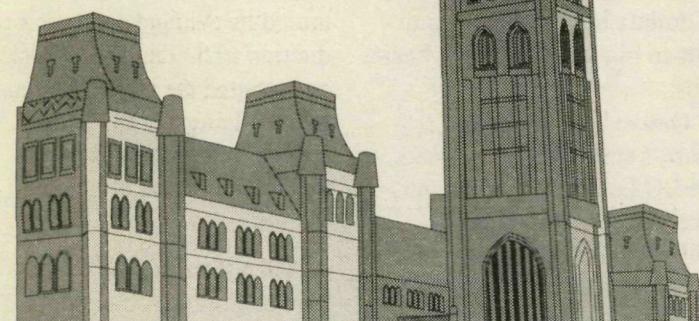
The big winners of the MP pension lotto

Estimated total payout if MP lives to age 75 - Source: National Citizens Coalition

David Dingwall, Nova Scotia, Lib	.....	\$3,594,064
Francis Leblanc, Nova Scotia, Lib	.....	\$1,734,408
Guy Arsenault, New Brunswick, Lib	.....	\$1,647,877
Len Taylor, Saskatchewan, NDP	.....	\$1,606,134
Mary Clancy, Nova Scotia, Lib	.....	\$1,345,083
David Walker, Manitoba, Lib	.....	\$1,271,035
Roger Simmons, Newfoundland, Lib	.....	\$1,155,988
Doug Young, New Brunswick, Lib	.....	\$1,009,068



Debt Clock



Guest Column

PROPORTIONAL REPRESENTATION by Nick Loenen

For Canadians, democracy means that citizens have the right to vote, the right to select their rulers. How would you feel if after you slipped your vote into the ballot box someone removed your vote and destroyed it? You lost your democratic right. Yet that is what happens to most Canadians at most elections. Most voters do not get either the local candidate or the government they voted for. For example, in 1993 the federal riding of New Westminster was won by Reformer Paul Forseth with less than 30% of the vote. Although this is an extreme instance, most ridings are won with less than 50%. In 1996, BC elected a majority government whose leader, party, and platform were rejected by 60% of the voters.

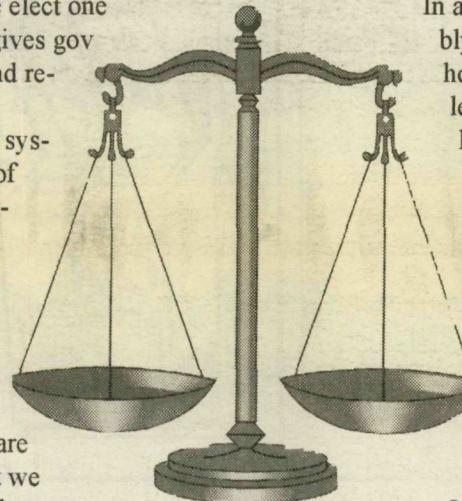
If we could start all over and devise a new voting system, would we elect one that wastes most votes, gives government to a minority, and results in an adversarial inefficient governmental system where all decisions of importance are made outside Parliament and outside the provincial legislatures? Not likely. It would offend our sense of democracy. Yet, that is how our voting system works. Why are we not offended by what we have? We seldom think that our voting system could be other than what it is.

However, most democracies do not use our "first past the post" voting system. To give more seats to parties than their share of popular vote warrants is deemed undemocratic by most. Such democracies use proportional representation to ensure a party's seat-share does not exceed its vote share.

Proportional representation (PR) is like ice cream, it comes in many flavours and colours, however, it need not be the Italian variety, leading to a fractured, unstable "pizza parliament." But why should Canada change?

Public discontent with government and politicians has increased over the last two decades, is greater in Canada than in the US and greater here than most places world-wide. Canadians think government is not responsive to them, or their needs. We are supposed to be a representative democracy. Elected members are supposed to speak and act for their constituents. Instead elected members are held captive by party interests, and between elections, citizens have no control over the political elite.

Canada's parliamentary system is dysfunctional. All decisions of importance are made



outside of Parliament; the country is run out of the Prime Minister's Office by non-elected partisans. Parliament cannot hold majority governments accountable; our Prime Ministers are elected dictators; responsible government is a myth. Political parties are mere election machines, and lack a policy-making role. How would proportional representation change all of this?

Under PR, majorities are not artificially manufactured, but result only when voters are so minded. Since voters usually do not entrust majority powers to one party, PR systems lead to permanent coalition governments. Power is diffused, instead of concentrated at the top. Decisions are made by consensus. Public policy is driven less by short-term partisan gain and more by long-term public interest.

In addition, some forms of PR, notably the Single Transferable Vote, hold the potential to significantly lessen party discipline. This is how it works.

It uses multi-member ridings, perhaps three member ridings for rural and five for urban areas. Voters rank a list of candidates in order of preference. Such preferences are counted such that winning candidates are those who enjoy the greatest aggregate support among the voters.

Voters have a maximum choice in that their preference need not stay among candidates of one party.

Such unlimited choice puts voters in the driver's seat, and guarantees that the link between representative and voter is stronger than the link between representative and party. For candidates, obtaining a party's nomination is less significant when on voting day all voters, not just paid-up party members, in effect participate in the nomination process.

The Single Transferable Vote will not automatically solve every defect and all failings of our present political institutions, but it has the potential to give voters more choice, to control their elected representatives, waste fewer votes, bring greater political diversity into Parliament, lessen party discipline, weaken the power of the Prime Minister, increase the power of Parliament, restore responsible government, render government more responsive to changing public demands, enhance the role of political parties in the formation of public policies, deliver a more efficient government, connect government to the people, foster a political culture of democratic participation and enhance citizenship. It is something to consider. ■

Glen Clark's Cash Machine

by Troy Lanigan

I don't know what's worse: taking one year to release the province's 1995-96 audited financial statements, or reading what's inside them.

Another year and another 675 pages of income statements, balance sheets and lists upon lists of "grants and contributions." Of the government's \$20.2-billion budget in 1995-96, "grants and contributions" accounted for \$15.5 billion or 77% of expenditures. A further \$2.5 billion comes under the category of "services."

While most of these dollars are directed to school boards, hospitals and municipalities, the *Public Accounts* reveal millions in questionable expenditures handed out each year by the provincial government. This year, the Canadian Taxpayers Federation (CTF) tried to put a little order to the list of grants by categorizing some of the entries into separate lists: grants to chambers of commerce, grants to the mining industry, grants to the agricultural industry, grants to the publishing industry, and grants for arts, sports, and leisure.

But these lists are only the tip of the iceberg. If space permitted, dozens of additional lists could be compiled. One could start building a list of advocacy groups: B.C. Coalition to Eliminate Abuse of Seniors - \$41,000; End Legislated Poverty - \$184,172; West Coast Environmental Law Research Foundation - \$30,968; Save Our Living Environment - \$15,000; Welfare Rights Advo-



cacy Group Society - \$41,039; and the UVic Student Society - \$159,000.

Or how about a list of Women's Groups: Vancouver Status of Women - \$44,039; Victoria Status of Women - \$41,039; Federated Women's Institute of Canada - \$17,500; Vancouver Lesbian Connection Society - \$47,039; South Asian Women's Action Network - \$10,027 and ... get this ... the Armstrong Ladies Club - \$10,000. How did they manage to get a grant with the politically incorrect term "lady" in their name?

Dozens of aboriginal groups and related associations raked in millions. The Indian Taxation Advisory Board - \$12,000; First Nations Summit Task Group - \$533,550; First Nations Women's Group - \$67,500; Aboriginal Women's Council - \$56,500;

First Nations Environmental Fund - \$145,870; Aboriginal Sport and Recreation Association - \$152,500; Native Fishing Association - \$15,750; Native Participation Committee Victoria - \$393,000; and Native Women in Business Society - \$45,984. Support for native business also includes \$724,490 to the First Citizens' Fund which provides start-up loans. The First Citizens' Fund also has loan liabilities of \$1.7 million. In all, a cursory review of the *Public Accounts* shows 241 grants to aboriginal groups of which 87 were direct grants to bands or councils. Of note, Aboriginal Affairs is in federal jurisdiction ... imagine what the list would look like if it were solely in the province's jurisdiction.

There is nothing wrong with any of these groups or

events. This issue is one of whether many or all of these activities should be funded by taxpayers or funded privately. This is especially obvious when one looks at the millions of dollars in grants and handouts to big labour and big business.

One of Premier Glen Clark's staunchest supporters, the BC Federation of Labour, received a \$220,900 grant while IWA-Canada received \$114,009. The BC Teachers Federation received a \$771,100 grant plus payments for services totalling an additional \$29,544. And, finally, the BC Federation of Agriculture raked in a \$52,000 grant and payments for services totalling \$40,472.

Of course, support for labour groups and their members doesn't stop there. Legislation requires construc-

tion firms to contribute to union funds for skills training and upgrading on large capital projects. The government also makes direct grants for these purposes: BC Construction Industry Skills Improvement Council, \$446,260; Harbour City Trade School, \$37,845; Career Connections Training Centre, \$427,626 and the Centre for Labour & Management Studies, \$15,000.

On the other side of the coin, some vocal critics of government spending and high taxes won't bat an eye when the government offers to cut them a cheque. The Business Council of BC, funded by some of the province's largest and most profitable corporations, received a \$120,000 grant and an \$18,036 payment for services. Coincidentally, last year the Business Council muted its demand for deficit reduction. The Finance Minister even touted the Council's recommendations in his budget speech to justify the government's continued plunge into red ink.

Then there are the Chambers of Commerce — some 72 locals received grants totalling \$2.6 million in fiscal year 1995/96. Last year's top recipient was the Greater Victoria Chamber of Commerce with a \$167,500 grant from the Ministry of Skills, Training and Labour, and a \$107,575 grant from the Ministry of Small Business, Tourism and

Continued on page 13

Culture.

On top of this, subsidizing both labour and business, are dozens of economic development organizations throwing tax dollars about in artificial attempts to grease the province's economic wheels: BC Trade Development Corporation - \$17,204,000; Business and In-

dustry Development BC - \$32,710; Cariboo Chilcotin Economic Futures Society - \$25,000; Western Economic Diversification Canada - \$43,750; Economic Development Association of BC - \$21,750; Kelowna Economic Recovery and Employment Development Associa-

tion - \$233,275.

In some economic areas, government assistance for industry is even more specific. At least 68 grants totalling \$7.5 million were spent in 1995/96 in support of the agri-food industry. The mining in-

dustry received sixty-one grants totalling \$2.5 million. Some of the needy corporations included: Cominco Ltd. - \$40,290; North American Metals Corp. - \$86,565; Highland Valley Copper Corp. - \$84,718; and International Skyline Gold Corp. - \$42,962.

Big business and big labour do very well without the assistance of taxpayers. Would the provincial economy have come to a standstill in 1996 if every grant and contribution on the list had been denied? Probably not. But you can bet that taxpayers would have been better off. ■

Moody's Investor Services downgraded the province's credit rating to Aa2 from Aa1 citing concerns over the province's rapidly ballooning debt. This was followed one week later by Standard and Poor's who downgraded B.C.'s credit rating from AA+ to AA.

Standard and Poor's cited the erosion in the government's financial flexibility as a result of a high tax burden and continuing expenditure pressures. The downgrades are expected to cost B.C. taxpayers up to \$5 million annually in higher borrowing costs.

According to the 1995/96 *Public Accounts*, the government spent over \$11 million on communications (advertising, publishing, printing and video productions) and \$16.6 million on automotive expenses including big payments to the big three automobile manufacturers: Chrysler Canada, \$3,595,516; Ford Canada, \$2,554,540; and General Motors Canada, \$827,805.

Thumbs up to the Liberal Opposition who uncovered that B.C. Transit was providing its "part-time" chair Derek Corrigan with a leased Saab

900 at a cost of \$1,000 a month. This led to the discovery that 13 other executives at BC Transit are provided \$550 - \$650 a month for vehicle allowances. The taxpayer-subsidized vehicles include an Audi, a Saab 900, an Acura Legend, a Jeep Grand Cherokee and three Ford Explorers. This is from the same bunch who have been urging British Columbians to leave their cars at home and "go green." I guess they really meant "go green with envy."

In the fiscal year the 1991 provincial election was held, Elections B.C. operated on a salaries and benefits budget of \$400,000 and operating costs of \$1.3 million. Five years later Elections B.C. required a salaries and benefits' budget of \$2.3 million and operating costs of \$1.5 million to run the 1996 campaign. Granted, costs increase over time, but salaries and benefits up 475% over one election

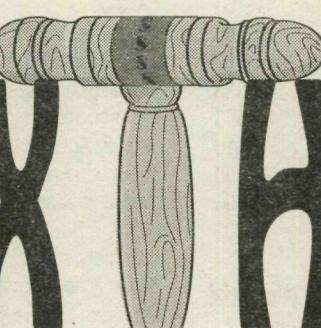
cycle?!

It gets better. Despite the fact that we are in a non-election year, this year's *Estimates* for 1997/98 have salaries, benefits and operating costs for Elections B.C. pegged at \$3.8 million —unchanged from one year ago.

Maybe Elections B.C. has more faith in a successful recall campaign than we do. More likely, however, is that Chief Electoral Officer Bob Patterson will need more tax dollars to fuel his burgeoning bureaucracy replete with more lawyers, "special investigators," and nit-picky bean counters to enforce an *Election Act* that has become more of an impediment than an aid to democracy in British Columbia.

In a recent report, Auditor General George Mofitt was critical of the \$100 million spent by the government on travel. A 1995 survey showed 44,197 round trips between Vancouver and Victoria. The most popular has become the helicopter service run by Helijet Airways in which an average of five flights each day is filled with government officials. Another 338,915 return trips were made between other B.C. communities at taxpayers' expense. ■

TAX TAITS



B.C. GOVERNMENT \$ HAND OUTS

Grants and contributions made by the provincial government to local Chambers of Commerce in the 1995/96 fiscal year:

Alberni Valley Chamber of Commerce	\$26,348
BC Chamber of Commerce	73,000
Burnaby Chamber of Commerce	37,830
Burns Lake & Dist. Chamber of Commerce	10,376
Campbell River & District Chamber of Commerce	35,136
Castlegar & Dist. Chamber of Commerce	20,598
Chamber of Commerce of the City of Grand Forks	23,779
Chase & District Chamber of Commerce	17,254
Chetwynd Chamber of Commerce	16,430
Chilliwack Chamber of Commerce	25,670
Columbia Valley Chamber of Commerce	15,850

Comox Valley Chamber of Commerce	38,762
Cranbrook Chamber of Commerce	46,300
Creston & District Chamber of Commerce	19,901
Cumberland Chamber of Commerce	10,253
Dawson Creek & District Chamber of Commerce	199,546
Delta Chamber of Commerce	10,729
Elkford Chamber of Commerce	15,213
Enderby & District Chamber of Commerce	10,525
Fernie Chamber of Commerce	28,955
Fort Langley & District Chamber of Commerce	21,065
Fort Nelson Chamber of Commerce	11,400
Fort St John & District Chamber of Commerce	13,080
Gibsons & District Chamber of Commerce	18,271
Golden & District Chamber of Commerce	

Commerce	15,911
Greater Kamloops Chamber of Commerce	29,661
Greater Prince George Visitors & Convention Bureau	28,362
Greater Victoria Chamber of Commerce	275,075
Harrison Hot Springs Chamber of Commerce	17,609
Hope & District Chamber of Commerce	49,983
Houston & District Chamber of Commerce	61,135
Juan de Fuca Chamber of Commerce	23,967
Kitimat Chamber of Commerce	21,216
Langley Chamber of Commerce	19,023
Likely & District Chamber of Commerce	77,000
Lytton & District Chamber of Commerce	15,731
Maple Ridge Chamber of Commerce	17,487
Mission Regional Chamber of Commerce	13,090

Nakusp & District Chamber of Commerce	16,501
New Westminster Chamber of Commerce	81,961
North Vancouver Chamber of Commerce	53,516
Osoyoos Chamber of Commerce	22,406
Parksville & District Chamber of Commerce	60,929
Penticton Chamber of Commerce	44,585
Port Hardy & District Chamber of Commerce	39,737
Powell River Chamber of Commerce	20,306
Princeton & District Chamber of Commerce	22,159
Qualicum Beach Chamber of Commerce	51,635
Quesnel & District Chamber of Commerce	29,894
Revelstoke Chamber of Commerce	22,259

Richmond Chamber of Commerce	42,750
Rossland Chamber of Commerce	13,500
Saanich Peninsula Chamber of Commerce	38,189
Salmon Arm & District Chamber of Commerce	33,998
Salt Spring Island Chamber of Commerce	19,131
Sechelt & District Chamber of Commerce	17,912
Sicamous & District Chamber of Commerce	17,839
Smithers & District Chamber of Commerce	77,433
South Cariboo Chamber of Commerce	28,071
Sparewood & District Chamber of Commerce	56,079
Summerland Chamber of Commerce	20,970
Surrey Chamber of Commerce	16,894
Terrace & District Chamber of Commerce	20,754
Trail District Chamber of Commerce	22,009
Tumbler Ridge Chamber of Commerce	14,465
Ucluelet Chamber of Commerce	18,151
Vanderhoof District & Chamber of Commerce	122,101
West Vancouver Chamber of Commerce	22,535
Westbank & District Chamber of Commerce	10,178
Whistler Chamber of Commerce	28,732
White Rock & South Surrey Chamber of Commerce	20,078
Williams Lake & District Chamber of Commerce	25,402

Grants and contributions made by the provincial government to mineral resources companies in the 1995/96 fiscal year:

AGC Americas Gold Corp	36,315
American Bullion Minerals Ltd.	42,413
Ampex Mining	35,775
Artina Resources Ltd.	36,408
Athabasca Gold Resources Ltd.	35,775
Atna Resources Ltd.	44,556
BC & Yukon Chamber of Mines	20,070
Bethlehem Resources Corp	56,921
BHP Minerals Canada Ltd.	10,357
Bralorne-Pioneer Gold Mines Ltd.	48,300
Camnor Resources Ltd.	36,720
Canadian Energy Research Institute	25,000
Canquest Resource Corp	34,189
Cassiar Coal Co. Ltd.	22,748
Centra Gas BC Inc.	3,570,688
CGA Approvals Inc	38,440
Chamber of Mines of Eastern BC	15,000
Coal Association of Canada	27,000
Coast Explorations Ltd.	40,000
Cominco Ltd.	40,290
Cusac Industries Ltd	38,940
Dasier, Peter George	27,212
Dome Creek Structural Slate	19,129
E M P R Provincial Competition	32,000
East Kootenay Chamber of Mines	15,000
Fairfield Minerals Ltd	48,900
Gallery Resources Ltd	11,649
Geotex Consultants Ltd	10,000
Gibraltar Mines Ltd	11,240
Global Mineral & Chemical Ltd.	30,154
Golden Hemlock Explorations Ltd.	32,738
Hera Resources Inc.	35,100
Highland Valley Copper Corp	84,718
Homestake Canada Inc Committee	21,928
Huntington Resources Inc	29,689
Imco Resources Ltd	36,338
Imperial Metals Corp	26,765
International Focus Resources Inc.	32,850
International Skyline Gold Corp	42,962
Jones & Associates Ltd, CE	50,000
Kinross Gold Corporation	24,117

Lysander Gold Corp	49,634
Martin, Charles R	29,005
Miner River Resources Ltd	23,277
Mining Association of BC, The	25,278
North American Metals Corp	86,565
Perron, John	18,057
Prime Resources Corp	25,765
Prospectors Assistance Grants	340,708
Quarry Pacific Industries Ltd	42,534
Ratcliff & Co in Trust	213,154
Regional Resources Ltd	33,795
Renewable Energy Association	10,000
Similco Mines Ltd	10,763
Spokane Resources Ltd	34,768
Squamish Gas Co Ltd	21,350
Super Twins Resources Ltd	34,538
Teck Corp	42,513
Teuton Resources Corp	54,610
Vancouver Isl Mine Safety Assoc.	27,000
Westmin Resources Ltd	38,596
Westpine Metals Ltd	16,702

Grants and contributions made by the provincial government to publishing companies in the 1995/96 fiscal year:

Arsenal Pulp Press Book Publishers Ltd.	27,028
Association of Book Publishers	223,000
BC Association of Magazine Publishers	100,000
Caitlin Press	19,235
Ekstasis Editions Society	14,027
Heritage House Publishing Co	14,590
New Star Books Ltd	26,547
Oolichan Books	25,567
Pacific Bookworld News Society	29,000
Press Gang Publishers Feminist Co-Operative	20,606
Proteus Press	10,075
Raincoast Book Distribution Ltd	16,830
Ronsdale Press	10,467
Sono Nis Press	32,746
Talon Books Ltd	28,338
Theytus Books Ltd	19,198
Whitecap Books Ltd	40,213

Grants and contributions made by the provincial government to the agri-food industry in the 1995/96 fiscal year:

Agricultural Environmental Protection Council	50,000
BC Agricultural Research & Development Corporation	381,147
BC Blueberry Council	16,064
BC Certified Seed Potato Grower's Assoc.	14,758
BC Chicken Marketing Board	16,767
BC Dairy Herd Improvement Services	437,000
BC Egg Marketing Board	115,205
BC Federation of Agriculture	52,000
BC Forestry Association	43,263
BC Grain Producers Association	23,402
BC Hog Marketing Commission	58,543
BC Horticultural Council	214,578
BC Hot House Foods Inc.	88,745
BC Nursery Trades Association	25,322
BC Purple Urchin Association	17,661
BC Salmon Farmers Association	133,963
BC Salmon Marketing Council	163,596
BC Shellfish Growers Association	143,232
BC Turkey Marketing Board	48,786
BC Vegetable Marketing Commission	70,845
Canadian Institute of Food Science & Technology	36,750
Certified Organic Associations of BC	48,009
Cowichan Agri-Pro	29,717
Creative Salmon Co. Ltd.	15,000
Creston Valley Beef Growers Assoc.	20,000
Crop Insurance Provincial Premium	2,003,073

Cultured Crustacean Company Ltd	39,086
Dairy Herd Improvement Services	57,600
Deep Sea Trawlers Association of BC	30,000
Delta Farmland & Wildlife Trust	40,000
Desolation Sound Oyster Co	15,400
Direct Farm Marketing Association	17,280
Ecotch Research & Development	13,800
Fisheries Council of BC	30,000
Fraser Valley Egg Producers Association	35,737
Global Meteorological Tech Inc	45,000
Interior Vegetable Marketing Agency Co-op	10,000
Kootenay Livestock Association	20,000
Little Island Farm	11,772
Lower Mainland Horticultural Improvement Association	16,000
McKay Aquatech Ltd, J	15,956
Mountain Fresh Fisheries Association	16,647
Nanaimo Marine Pavilion Corp	10,000
North & South Saanich Agricultural Society	116,711
North Pine Farmers Institute, The	20,852
Northern Marine Farms Ltd	49,772
Ocean Fisheries Ltd	80,000
Oceanaire Investment Ltd	68,900
Okanagan Valley Tree Fruit Authority	1,500,000
Pacific Aqua Salmon Farming Partners	15,000
Pacific Field Corn Association	16,000
Pacific Urchin Harvesters Association	27,683
Peace River Agriculture Industry Revitalization Fund	226,050
Peace River Agriculture Strategic Planning Society	98,350
Peace River Organic Producers Assoc	32,250
Peace River Soil Conservation	98,795
Primary Poultry Processors Assoc. of BC	82,411
Ross Tackle Ltd	32,151
Rossway Ventures Ltd	20,000
South Coastal Dairy Education Assoc	52,000
Sunacres Organic Delights Ltd	27,300
Sustainable Ocean Resources	15,000
Trans-Pacific Fish Ltd	64,575
United Flower Growers Co-Operative Association	66,457
West Coast Green Urchin Association	13,500
West Coast Sustainability Association	32,246
Western Canada Turfgrass Association	17,000
Western Indian Agriculture Producers Association	22,500
Western Regional Management Team	43,274

Grants and contributions made by the provincial government to sports, arts and leisure groups or events in the 1995/96 fiscal year:

1995 Western Canada Summer Games Society	199,000
744 (Cowichan) Squadron Administration Society	40,000
A T Eight Artopolis Society	217,000
Abbotsford-Matsqui Arts Council	15,710
Air Canada Cup 1996	12,500
Alberni Valley Museum	50,000
Alliance for Health & Fitness Society	19,500
Arc Arts Council	22,580
Art Gallery of Greater Victoria	251,900
Art Gallery of the South Okanagan	41,150
Artists Consortium Trust Fund	47,500
Arts Club of Vancouver Theatre Soc.	296,100
Arts Council of New Westminster	11,355
Arts Council of Surrey & District	26,870
Arts Starts in Schools	50,000
Assembly of BC Arts Councils	125,000
Athletic Assistance Awards	1,476,268
Atlin Historical Society	50,000
BC 4-H Provincial	103,248
BC Amateur Athletics Association	255,432
BC Amateur Baseball Association	230,970
BC Amateur Boxing Association	20,000
BC Amateur Football Association	52,000

BC Amateur Golf Association	68,000
BC Amateur Hockey Association	250,000
BC Amateur Softball Association	161,520
BC Amateur Synchronized Swimming Association	119,424
BC Archery Association	63,200
BC Association of Agricultural Fairs & Exhibitions	57,825
BC Badminton Association	102,750
BC Blind Sports & Recreation Assoc.	55,100
BC Choral Federation	15,250
BC Cricket Association, The	21,000
BC Deaf Sports Federation	20,000
BC Fencing Association	40,000
BC Festival of the Arts Society	875,000
BC Forest Museum	374,000
BC Freenet Association	70,000
BC Freestyle Ski Association	12,565
BC Gymnastic Association	163,933
BC Heritage Languages Association	13,300
BC Judo Association	74,000
BC Lacrosse Association	82,300
BC Lawn Bowling Association	22,000
BC Luge Association	29,300
BC Museums Association	103,000
BC Netball Association	35,000
BC Racquetball Association	22,000
BC Recreation & Parks Association	166,035
BC Rhythmic Sportive Gymnastic Fed.	45,000
BC Ringette Association	57,000
BC Rugby Union	140,320
BC Sailing Association	131,200
BC School of Sports	83,000
BC Seniors Games Society	85,000
BC Special Olympics Society	70,000
BC Speedskating Association	65,000
BC Sport & Fitness Council of the Disabled	87,000
BC Sport Parachute Council	15,000
BC Squash Racquets Association	73,000
BC Summer & Winter Games Soc.	2,400,000
BC Table Tennis Association	50,000
BC Target Sports Association	13,000
BC Tenpin Federation	25,000
BC Triathlon Association, The	11,000
BC Volleyball Association	194,533
BC Water Polo Association	80,000

BRITISH COLUMBIA SECTION - 15

Society	14,484	Gordon Head Soccer Association	47,742	NKA Karate BC Association	60,000	South Okanagan Girl Guide Campsite
Canadian Red Cross Water Safety Services	60,750	Gorge Soccer Association	53,751	Nanaimo Art Gallery Society	15,000	Society
Canadian Ski Association—BC Section Alpine	270,000	Grand Forks Art Gallery	13,500	Nanaimo Arts Council	14,965	11,000
Canadian Wheelchair Sports Association	92,528	Greater Vancouver Int'l Film Festival Society	173,555	Nanaimo Centennial Museum & Archives	27,500	South Peace Art Society
Canal Flats Parks & Recreation Commission	30,033	Greater Vernon Museum & Archives	24,105	Nanaimo Festival	32,500	10,000
Canim Lake Band Arts Council	50,000	Greater Vernon Park & Recreation Dist	11,185	National Ballet School	10,000	South Peace Historical Society
Canoe Racing BC	67,560	Greek Senior Citizens Society	25,000	National Coaching Institute	186,000	23,890
Carousel Theatre Society	267,308	Green Thumb Theatre for Young People	127,500	National Theatre School of Canada	28,000	Southwest Regional Arts Council
Central Fraser Valley Fair Association	26,418	Grunt Gallery	12,500	National Youth Orchestra of Canada	10,000	15,000
Central Interior Regional Arts Council	99,390	Guide-Outfitters Association of BC	222,000	Nechako Little League	51,471	Sport BC
Central Island Arts Alliance	19,000	Harrison Festival Society	32,500	Nees Lake Recreation Commission	39,174	504,000
Cerebral Palsy Sports Assoc. of BC	40,469	Hazelton Area Historical Association	14,2500	New Bastion Theatre Co	35,500	Sport Medicine Council of BC
Chetwynd Ballpark Society	10,318	Headlines Theatre Co. Society	33,000	New Westminster Tennis Club	20,000	Spruce Capital Karting Association
Children's Jubilee Summer Camp Assoc.	91,562	Hope & District Area Board & Recreation Commission	16,198	North Cariboo Senior Soccer League	155,333	14,570
Chilliwack Community Arts Council	14,780	Hornby Festival Society	10,000	North Island Heritage Society	22,095	Stanley Theatre Society
Chilliwack Farm & Food Fair	14,523	I E Artspeak Gallery Society	12,000	North Shore Multicultural Society	42,300	39,900
Chilliwack Museum & Historical Society	25,000	Interior Provincial Exhibition Assoc	25,798	North Vancouver Community Arts Coun	18,085	Stedelijk Museum
Cloverdale Rodeo & Exhibition	11,758	Intrepid Theatre Company Society	38,500	North Vancouver Museum And Archives	17,000	10,000
Coaches Association of BC	45,000	Irving House Historic Centre	20,000	North Vancouver Recreation Comm	61,397	Story Theatre Productions Society
Coastal Jazz & Blues Society	45,000	Island Arts Centre Society	67,998	Northern BC Museum Association	24,862	15,000
Colwood Firefighters Historical Society	12,770	Jamieson Dance Society, Karen	72,000	Northern BC Winter Games Society	87,000	Sunshine Coast Arts Council
Commonwealth Centre for Sport Development	110,000	Juan de Fuca Parks & Recreation Commission	24,755	Northern Saddle Club	22,754	11,037
Community Arts Council of Alberni Valley	12,440	Jumpstart Performance Society	32,982	O'Keefe Ranch & Interior Heritage Soc	56,474	Sunshine Theatre Society
Community Arts Council of Greater Victoria	25,225	Kaleidoscope Theatre Productions Soc	35,000	Okanagan Summer School of the Arts	22,500	22,500
Community Arts Council of Kamloops	12,065	Kamloops Blazers Hockey Club	15,000	Okanagan Symphony Society	44,000	Surrey Art Gallery
Community Arts Council of Richmond	19,125	Kamloops Museum Association	15,000	Old Church Theatre Society	42,323	47,500
Community Arts Council of Vancouver	49,745	Kamloops Public Art Gallery	60,000	Open Space Arts Society	45,000	Surrey Centennial Museum
Contemporary Art Gallery Society of BC	32,000	Kamloops Symphony Society	30,000	Orienteering Association of BC	17,600	31,500
Cordova Bay Soccer Club	17,540	Kelowna & District Arts Council	17,245	Outdoor Recreation Council of BC	81,000	Tamahnoos Theatre Workshop Society
Courtenay & District Historical Society	19,000	Kelowna Art Gallery Association	644,755	Pacific Ballet BC Society	265,500	32,500
Courtenay Youth Music Centre Society	86,000	Kelowna Centennial Museum & National Exhibit Centre	72,000	Pacific Music Industry Association	194,100	Tennis BC
Cowichan Exhibition Association	15,948	Kettle Valley Railway Heritage Society	202,500	Pacific National Exhibition	70,000	190,100
Crafts Association of BC	39,500	Kitimat Alpine & Ski Club	23,334	Pacific Opera Victoria	77,000	Terrace Curling Association
Cranbrook Archives Museum & Landmark Foundation	32,500	Kitimat Centennial Museum Association	17,000	Pacific Space Centre Society	80,598	35,338
Creston & District Historical & Museum Society	10,613	Kitimat Curling Club	111,000	Peace-Liard Regional Arts Council	19,510	Terrace Youth Soccer Association
Cross Country BC	177,400	Kitimat Youth Soccer Association	83,255	Pender Harbour Golf Club Society	10,000	29,119
Cultural Network of the Rockies	15,270	Kokoro Dance Theatre Society	30,500	Penticton & District Community Arts Council	12,845	Theatre BC/BC Drama Association
Cultus Lake Park Board	12,267	Koksilah School Historical Society	15,178	Penticton Baseball Stadium Society	28,585	82,500
Curl BC	129,970	Kootenay Cultural Network of the Rockies	15,000	Pink Ink Theatre Productions Assoc	19,500	Theatre La Seizieme
Cycling BC	104,655	Kootenay Doukhobor Historical Soc	140,000	Pit International Galleries	14,500	12,500
DC Dancecorps Society	24,000	Kootenay Lake Historical Society	25,704	Port Alberni Gymnastics Association	130,012	Theatre North West Society
Delta Community Arts Council	15,895	Kootenay Museum Association & Historical Society	12,750	Powell River Academy of Music	21,200	53,000
Delta Gymnastics Society	35,300	Kootenay School of the Arts Society	409,499	Presentation House Cultural Society	45,000	Touchstone Theatre Company
Delta Museum & Archives Society	20,154	Labatt Brier Kamloops 1996	15,000	Prince George & District Community Arts Council	15,445	Trail & District Community Arts Council
Disabled Skiers Association of BC	11,000	Lambrick Park Baseball Association	21,400	Prince George Art Gallery Association	24,000	12,000
Eagle Creek Recreation Commission	24,061	Langley Arts Council	13,500	Prince George Exhibition	16,912	Tumbler Ridge Gymnastics Association
Edam Performing Arts Society	25,750	Langley Centennial Museum & National Exhibition	32,000	Prince George Gymnastics Society	24,517	14,422
Edge Wilderness Experiences	95,900	Langley Community Music School	19,000	Prince George Symphony Orchestra	34,500	Tweedsmuir Recreation Commission
Elektra Women's Choir	19,500	Lifecycles Community Gardening Project	17,230	Prince George Tennis Club	80,000	18,116
False Creek Recreation Association	45,540	Lillooet & District Recreational Education & Cultural Society	10,281	Prince George Youth Soccer Assoc	32,743	UBC Museum of Anthropology
Farm Folk/City Folk Society	22,000	Linnea Farm Society	111,579	Princeton Curling Club	11,800	U'Mista Cultural Centre
Federation of BC Naturalists	30,100	Lone Butte Historical Association	21,304	Promotion Plus-Girls & Women in Physical Activity & Sport	75,000	15,400
Federation of BC Writers	31,000	MacLaughlin Dance Society, Lola	21,500	Puente Theatre Society	25,000	Valley Fitness Society
Federation of Mountain Clubs of BC	108,990	Main Dance Projects Society	20,500	Queen Charlotte Islands Museum	27,500	Vancouver Academy of Music
Fend Players Society	12,000	Malaspina Printmakers Society	12,500	Queen of Peace Community Centre	21,215	107,500
First Pacific Theatre Society	17,866	Maple Ridge Fair	10,352	Quesnel Curling Club	21,257	Vancouver Aquarium
First Vancouver Theatre Space Society	40,000	Marcuse Dance Projects Society, Judith	77,500	Quesnel Youth Soccer Association	12,249	93,603
Fraser Valley Multisport Dev. Society	20,000	Maritime Museum of BC	76,434	Revelstoke Heritage Railway Society	14,222	Vancouver Art Gallery Association
Fraser-Fort George Museum Society	128,630	Mascall Dance Society	24,150	Richmond Art Gallery	18,000	200,000
Friday Street Productions Ltd	20,000	Matsqui-Sumas-Abbotsford Museum Soc	32,000	Richmond Gateway Theatre Society	10,000	Vancouver Bach Choir
Friends of Music Society	31,677	McGirr Sports Society	108,277	Richmond Museum and Archives	24,000	30,500
Friends of the Creston Valley Wildlife Area Society	20,000	Metchosin International Summer School of the Arts	10,000	Ridge Meadows Community Arts Council	12,790	Vancouver Ballet Society
Friends of the K & S Railway Society	40,000	Miner Society for Cultural Advancement, Bill	37,500	Rowing BC	108,600	13,000
Friends of the Royal BC Museum	291,300	Missionfest Music Society	10,500	Rumble Productions Society	16,300	Vancouver Cantata Singers
Friends of Wells Gray Park	15,708	Mole Hill Living Heritage Society	15,000	Rutland Minor Fastball Society	19,217	11,000
Gabiola Softball Association	15,286	Mount Timothy Ski Society	19,805	Rutland Park Society	13,489	Vancouver Central Handicraft Society
Gellatly Bay Aquatic Park Society	32,509	Multicultural Society of Kelowna	61,005	SS Sicamous Restoration Society	13,333	27,834
Girl Guides of Canada	28,895	Museum of Northern BC	35,889	Saanich Agricultural Association	16,294	Vancouver Chamber of Choir
Girl Guides of Canada - BC Council	50,167			Salmon Arm Elks Recreation Society	10,140	89,135
Gordon Head Baseball Association	12,500			Salmon Arm Pioneer Society	63,975	Vancouver Co-Operative Radio

Budget '97 Update:

Steady as she goes ... for now

On April 21st

newly-appointed Treasurer Stockwell Day introduced his first budget, for the fiscal year 1997-98. It is almost identical to former Treasurer Jim Dinning's last budget of February 21st. Two notable changes are the addition of \$20 million to health spending, and an adjustment to the oil price forecast, from an average of US\$19 per barrel to \$18.50. The 1996-97 surplus, which all goes to debt repayment, is now pegged at \$2.26 billion.

As the financial position of the Alberta Government begins to improve, several questions are being asked: Did the spending reductions have to be as fast and as deep as they were? And, what are the benefits?

The first question is, of course, asked in hindsight. No one could, or should have predicted in 1993, a year in which the government overspent by \$3.4 billion, that the energy and agricultural sectors were going to perform as they have. It was critical at that time to drastically change course, to put an end to indebting future taxpayers, and to do it based on what could be controlled - the spending side.

University of Alberta Professor Paul Boothe took a look at the fiscal plan undertaken by Treasurer Jim Dinning between 1993-94 and 1996-97 to assess what the impact of other choices would have been. He examined three scenarios: (1) if program spending had been allowed to continue growing at the same average annual rate (4.9%) as it did between 1987-1988 and 1992-93; (2) if program spending was frozen at 1992-93 levels; (3) if spending was reduced as it has been, but revenues grew less than they have, at the same rate as they did between 1987-88 and 1992-93 (3.6%).

(1) *Boothe's analysis shows that the windfall revenues we have experienced would not have offset continued spending growth enough to balance the budget. In fact, the deficit would have been \$5 billion by 1996-97, net debt (excluding pension liabilities) would have been \$23.4 billion, and we would be forking out \$2.1 billion in interest payments.*

(2) *Again, if program spending had simply been frozen rather than reduced, the jump in revenues would not have been sufficient to balance the budget. The 1996-97 deficit would still have been \$1.4 billion, net debt would have climbed to \$14.7 billion, and we would have been wasting \$1.8 billion annually on interest.*

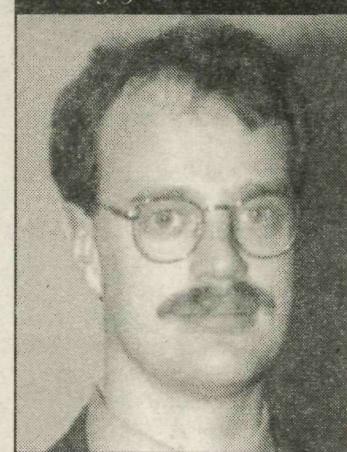
(3) *Would the budget have been balanced under the spending reduction plan without the buoyant revenues? Yes, but not until 1995-96, when a surplus of \$1.063 billion*

would have occurred. In other words, fortunate revenues simply accelerated the process. Without the revenue boost, the net debt would have been \$6.4 billion in 1996-97, and interest costs \$1.413 billion.

The benefits of following the course set out in 1993, and of having a couple of years of better-than-expected revenue results are clear. Our debt bills are being paid off sooner, rather than being allowed to grow an extra few years to the detriment of future Albertans. This is freeing up resources which would otherwise have been thrown away on interest payments. By 1999-00, \$475 million less will be spent on debt servicing costs than was flushed away in 1994-95, the year interest costs peaked.

That's money that has been spent instead on priority programs, health, education, infrastructure and seniors, and that can be used for faster debt reduction and for tax cuts. About 130,000 low and middle income working families with children have been mailed a tax

By James Forrest



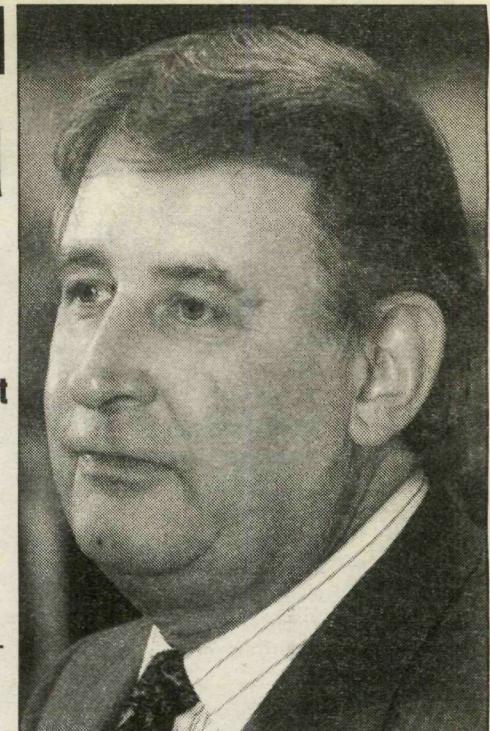
credit cheque from the Alberta government this summer, and property and fuel taxes have also been cut.

Pursuing the path of rapid and substantial spending reductions has also allowed the Province to absorb the loss in revenue of more than \$1 billion annually in federal transfers. And creating a stable fiscal climate has also attracted investment to Alberta, producing more jobs and economic diversification. A recent Western Centre for Economic Research study concluded that value-added foreign exports in certain non-traditional industries (i.e. excluding energy and cereals), meat processing, paper and paperboard, machinery, electrical equipment, precision instruments, aircrafts and parts, and furniture combined climbed 536% between 1988 and 1996. And more capital investment is on its way.

After the 1986 oil price crash, an infamous bumper sticker appeared with the thought, "Please Lord, send us another oil boom ... We promise not to throw it away!" Well, He's come through for us, so let's make sure our politicians keep our promise! ■

Ralph's reinvestment: redecoration or reward?

by James Forrest



In his first full term as Premier, Mr. Klein presided over the cost-cutting, business-planning, budget-balancing "Ralph's Revolution." While the "renovations" are far from complete (indeed, hopefully, improvements and innovations in service delivery will be an ongoing focus), the jury's still out on where Mr. Klein's "stay-the-course," growth-managing second term is heading.

The outcome of the much heralded Alberta Growth Summit, to be held in Edmonton September 29 - 30, will provide some answers. The Summit "is aimed at building consensus among all sectors of Alberta's economy for determining how the province should respond to the pressures associated with growth." Eighty delegates, 40 from each of the private and public sectors, are currently being selected to recommend what "policies and actions [are] needed to ensure sustainable and broad-based growth in Alberta." The participants will be

split into seven "Sectors": Government, Labour, Social Economy, MUSH (municipalities, universities, schools and hospitals), Business and Industry, Energy, and Agriculture and Rural Development.

According to the Premier, "we'll look at how our province can respond to these pressures, and to the rising demand for pub-

Continued on page 17

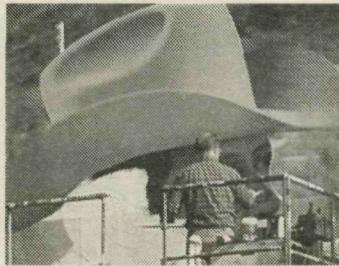
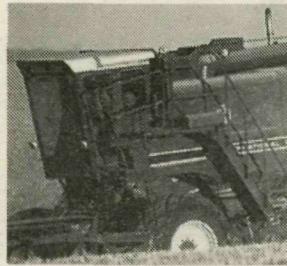
lic services, while continuing to live within our means."

Pardon me? Growth pressures AND "rising demand for public services?" Certainly economic and population expansion will heighten spending needs, for things such as infrastructure and more public service personnel. But "rising demand for public services?"

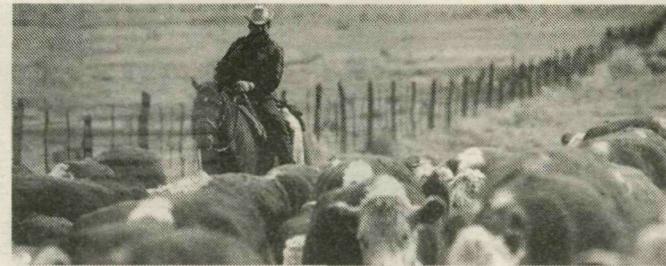
Perhaps Ralph is thinking about the demands of the vast array of interest groups, well represented at the Summit. But that comment should cause average Albertans, the majority of whom recently endorsed Ralph's downsizing "Revolution," to at least unfurl red flags.

The last time Alberta was faced with "pressures of growth," during the oil boom days, the Alberta government built up expectations - demand for government services - only to have the bot-

tom fall out on the revenue side. The spending side, meanwhile, fueled by those expectations, proved difficult to restrain. Albertans have, are, and will be paying for the debt that resulted.



annual surplus go to debt has been replaced by a less stringent law. Previously, if more revenue was coming into the government's coffers during the year than had been expected, result-



interest cost savings should go to debt and tax relief, and any program spending increases should target Albertans' priorities for growth, not interest groups.

Ralph's new team already seems to be succumbing to an early case of "Dome Disease." The election, Throne and Budget speech promise to share decision-making power over increases to personal, corporate and

other taxes by way of referendum has been watered down. The bill introduced covers only personal income taxes, and is facing stiff opposition in the Tory caucus. Some MLAs apparently feel that politicians should retain the ability to take more from your pockets without consulting you first, that they know what's best. Alberta taxpayers must remind their MLAs that "Ralph's Reinvestment" should be "Ralph's Reward," not "Ralph's Redecoration." ■

The Summit gives various groups a forum to push for bigger government. As interest costs fall, there is a danger that program expenditures will climb. In other words, overall spending remains about the same, but the size of government as defined by expenditures on goods and services (net of interest costs) grows. So far, most of the savings realized by paying down debt have gone to programs.

Also important to consider is that the legislated requirement that all of an

ing in mid-year projections of a larger-than-expected surplus, it couldn't be spent on anything but debt reduction. Alberta has experienced two consecutive billion dollar surpluses and this year's will be over two billion. Now, the only requirement is that any year-end surplus go to debt. If revenues are surging, they can be spent, provided enough is left to make an average payment of \$450 million to debt.

It's up to Albertans to make a noise before September's Summit. More of

CONSOLIDATED FISCAL SUMMARY

BUDGET '97, UPDATE April 21, 1997

(millions of dollars)	1992-93	1993-94	1994-95	1995-96	1996-97 Forecast	1997-98 Estimate	1998-99 Target	1999-00 Target
Revenue								
Personal income tax	\$2,794	\$2,877	\$3,063	\$3,177	\$3,441	\$3,526	\$3,647	\$3,797
Corporate income tax	637	854	1,073	1,332	1,390	1,436	1,484	1,520
School property tax	1,115	1,168	1,196	1,205	1,158	1,169	1,109	1,084
Other tax revenue	1,055	1,053	1,126	1,112	1,145	1,124	1,132	1,151
Natural resource revenue	2,183	2,817	3,378	2,786	4,116	2,716	2,713	2,683
Investment income	1,059	1,269	1,004	1,182	998	969	923	863
Other own-source revenue	2,290	2,681	2,826	2,497	2,525	2,494	2,506	2,472
Revenue cushions						(590)	(420)	(420)
Total own-source revenue	11,133	12,719	13,666	13,291	14,733	12,844	13,094	13,150
Federal transfers	2,388	2,021	1,853	1,671	1,316	1,268	1,207	1,189
Total Revenue	13,521	14,740	15,519	14,962	16,089	14,112	14,301	14,339
Expenses								
Health	4,133	4,002	3,799	3,618	3,814	3,958	4,014	4,088
Education	4,193	4,268	3,919	3,807	3,833	4,099	4,164	4,198
Social services	1,678	1,555	1,308	1,307	1,342	1,357	1,351	1,351
Other program expenses	5,608	4,825	4,011	3,623	3,550	3,422	3,416	3,416
Total program expense	15,612	14,650	13,037	12,355	12,539	12,836	12,945	13,053
Debt servicing costs	1,233	1,461	1,544	1,456	1,315	1,125	1,105	1,070
Total Expense	16,845	16,111	14,581	13,811	13,854	13,961	14,050	14,123
Net Change in Capital Assets								
Capital investment	363	305	265	261	216	238	240	230
Capital amortization	(272)	(292)	(285)	(242)	(241)	(241)	(241)	(245)
Net increase/decrease in cap. assets	91	13	(20)	19	(25)	(3)	(1)	(15)
Consolidated Surplus (Deficit)	(3,415)	(1,384)	958	1,132	2,260	154	252	231
Financial Assets								
Net assets/(debt) subject to BBDRA	(7,054)	(8,313)	(7,355)	(6,223)	(3,963)	(3,513)	(3,063)	(2,613)
Unfunded pension liabilities	(4,770)	(5,066)	(5,352)	(5,352)	(5,402)	(5,467)	(5,582)	(5,697)
Total net assets/(debt)	(11,824)	(13,379)	(12,707)	(11,575)	(9,365)	(8,980)	(8,645)	(8,310)

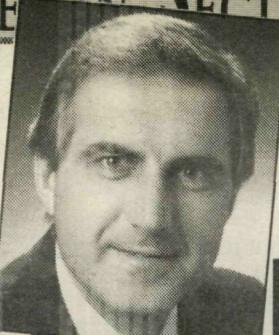
By Moira Wright

The politicians in power in Regina display some very disturbing attitudes toward legitimate criticism. The more independent and credible the source of any criticism of their political agenda, the more uncomfortable they become.

Taxpayers should be appalled at the shameful antics displayed in a recent attack on the Provincial Auditor. This spring, Mr. Strelioff expressed disagreement with the government for refusing to include SaskPower's \$2 monthly "reconstruction charge" as part of their 1996 revenue.

The government's counterattack was silly and childish. They claim that they were simply "borrowing from the public." We all know that they took this money from taxpayers all year. The fact remains that SaskPower brought in \$22 million through a consumer rate hike and another \$14 million from the \$2 monthly fee in 1996. They claimed a \$139-million profit when it was really \$153 million.

Why refuse accountability? What harm does better public accountability do, except to get in the way of questionable political agendas? The Auditor is simply trying to prevent politicians from pulling the wool over the eyes of taxpayers.



LISTEN to your auditor

What if those of us in the "real world" tried to pull this stunt? Suppose your local restaurant owner decided that he was going to put \$2 from every customer's meal into a "special fund" to "add on to his kitchen someday." He decides that this isn't revenue, and the government can't consider it income. Or, what if you, an individual taxpayer, decided to put 5% of your income away every month into a fund that you claim is for "new furniture someday." You decide not to declare it on your tax return as income. What would politicians have to say about that?

The Provincial Auditor is guided by professional

ethics and a duty to all citizens to ensure public accountability. It would be nice if we saw a little more of this quality in politicians. We are subjected to the spectacle of politicians parading through the courts. We learn of the dubious fund-raising methods of political parties.

Instead of accepting legitimate criticism, politicians sink to personal attacks. Government politicians badgered the Auditor about his work, asking him "to whom he is accountable." They are some-

how bothered by the fact that he doesn't place their political agenda above the public interest. Then the government used your tax dollars to bring out their own hired accountants in a further attempt to discredit the Auditor.

Premier Romanow refused to apologize and is calling this nothing more than "a dispute between bean counters." There is much more at stake here. The government is sinking to a new low in an attempt to undermine the public watchdog because they can't stand credible and independent opposition. A big mistake.

A chilling omen for taxpayers. ■

Saskatchewan Opportunities Corporation

Keeps risking taxpayers' money

SBy Dr. Mark Lee

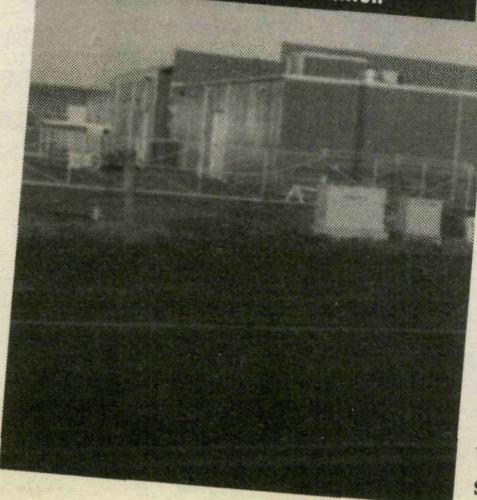
ince the late 1960s the provincial government has been using agencies such as the Saskatchewan Economic Development Corporation (SEDCO) to funnel your tax dollars into businesses.

In 1993, 15,000 supporters of the Saskatchewan Taxpayers Association sent a clear and strong message to the Romanow government by signing a petition

demanding that SEDCO be shut down. In its last year of operation alone, SEDCO lost \$47 million, and had accumulated a debt of over \$300 million by the time it was closed.

In August of 1994, the government finally responded. Unfortunately, at the same news conference held to announce SEDCO's closure, they also announced the creation of the Saskatchewan Opportunities Corporation (SOCO). It was soon dubbed the

Impact Packaging cost Saskatchewan taxpayers \$17.2 million



"Son of SEDCO."

From its inception in August 1994 through to the end of December 1996, SOCO had made 31 investments worth a total of \$15 million. That list can be found on the following page.

SOCO has received an operating grant from the province's General Revenue Fund every year. The taxpayers of Saskatchewan have handed over a total of \$7,644,800 in operating grants to SOCO in its first two and a half years of existence. While lending has been greatly restrained since the days of SEDCO, it is clear that politicians still believe that they have the right to enter risky ventures with your hard-earned tax dollars.

Alberta's Answer

Our neighbours to the West, however, can rest easy. In April of 1996, Al-

berta legislators introduced groundbreaking legislation that protects Alberta taxpayers from politicians. The *Business Financial Assistance Limitations Statutes Amendment Act 1996* outlaws the government from issuing new loans and guarantees without the passage of specific legislation, which would require full public debate.

As Alberta Premier Ralph Klein notes, ". . . Government is out of the business of loans, guarantees and investments in business. . . Albertans told us they didn't want to see their government pick winners and losers in business anymore. What we've done today is remove the ability of government to make any loan or guarantee behind closed doors."

It is time for the same legislation to be passed in Saskatchewan. ■

SOCO loans and investments 1994 - 1996

Includes: Project, Description & Amount

Agtech Processors Inc., Indian Head, SK - Processor, Packager & Marketer of specialty crops \$521,374 loan
 Batco Manufacturing, Swift Current, SK - Manufacturer of belt conveyors for specialty crops \$200,000 loan
 Bear Necessities Productions, Regina, SK - Television movie production entitled "Lyddie" \$450,000 loan
 Bep's Flower Shops Inc., Swift Current, SK - Manufacturer of jams, jellies, & beverages \$38,252 loan
 Blue Line Pine Manufacturing Ltd., Candle Lake, SK - Manufacturer & distributor of jack pine shales, shingles & decorative shingles \$17,624 loan
 Capital "I" Industries Inc., Tisdale, SK - Manufacturer of attachments for motor graders \$15,409 loan
 Fashions by "MEE" Ltd., Saskatoon, SK - Manufacturers of snowboards & athletic clothing \$500,000 loan

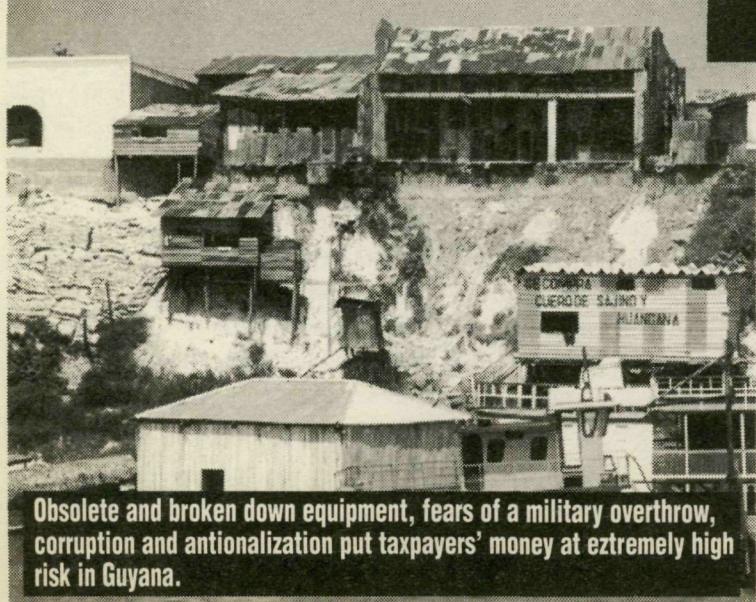
Group Limagrain, Saskatoon, SK - Canola research and seed production \$6 million equity
 Harvest Industries Inc., Regina, SK - Manufacturers of mattress covers, and blankets \$150,000 loan
 Heartland Motion Pictures Inc., Regina, SK - A film production company \$60,000 equity
 International Road Dynamics, Saskatoon, SK - Manufacturer of traffic control systems \$1.2 million loan
 Kinsmen Big Valley Jamboree, Regina, SK - Working capital to assist with festival \$152,094 loan
 Microgro International Research, Biggar, SK - Wholesale & research greenhouse \$100,000 guarantee
 Midwestern Marketing Ltd., Saskatoon, SK - Manufacturer of curling products, and industrial brooms \$42,500 guarantee
 Northern Pines Forest Products, Pierceland, SK - Producer of flooring, siding, and materials for stairways \$67,000 loan
 Northwest Pictures Inc., Regina, SK - Motion

picture production titled "Decoy" \$350,000 loan
 Potassium Sulphate Co. of Alsask, Alsask, SK - Processor of potassium sulphate for use in fertilizers \$792,000 loan
 \$208,000 equity
 Prairie Doves Inc., Regina, SK - Production of feature film entitled "Prairie Doves" \$400,000 loan
 Prairie Systems and Equipment Ltd., Saskatoon, SK - Manufacturer of load cells \$150,404 loan
 Provincial Forest Products Ltd., Prince Albert, SK - New saw mill \$400,000 loan
 RRR Environmental Services Ltd., Regina, SK - Oil recycling facility \$300,000 loan
 Regina Motion Picture Video & Sound, Regina, SK - An independent film and video company that produced "Decoy," "Lyddie," and "Guitar Man" \$110,000 loan
 \$210,000 equity
 Royer's Trucking Ltd., Maple Creek, SK - Saw mill & greenhouse production facilities \$28,353 loan

Shuttle Craft International Ltd., Saskatoon, SK - Manufacturers of boats for use with personal watercraft \$1,250,000 loan
 SLS Manufacturers Inc., Yorkton, SK - Manufacturers of electronic valves \$15,000 loan
 Temple Gardens Mineral Spa, Moose Jaw, SK - Mineral spa/hotel complex \$700,000 equity
 The Edge Productions (SaskFilm), Saskatoon, SK - Production of "Family Blessings" \$50,000 loan
 The Great Plains Moccasin Factory, Saskatoon, SK - Leather manufacturing company \$50,000 guarantee
 UFR Urban Forest Recyclers Inc., Swift Current, SK - Manufacturers of egg flats and fruit trays from recycled paper \$43,252 loan
 York Medical Inc., Toronto, Ont - Company formed to test & commercialize diagnostic and pharmaceutical technologies. R & D work to be done in Saskatchewan where feasible \$500,000 equity ■

Secrecy breeds suspicion

Saskatchewan government lacks accountability



here are a few serious issues that have been left unanswered with the closing of the provincial legislative session. Saskatchewan taxpayers have good reason to view the antics of their government in Regina with some suspicion.

A) Guyana

The purchase of an electrical utility in Guyana has raised serious questions about the ability of politicians to invest taxpayers' hard-earned dollars with no public accountability. We only learn sketchy details of this shady deal through the media, opposition politicians, and the Guyanese government. This much is known: The government, through SaskPower, has signed a letter of intent to invest over \$30 million in an aging, decaying electrical utility in South America.

The power company is reported to be a chronic money-loser, and the price of purchase is not the only bill Saskatchewan taxpayers could be faced with. A Guyanese government official says that at least \$150 million (U.S.) will have to be invested to bring the company up to standard.

Tack on to these concerns the fact that Guyana is not a particularly stable environment to do business. Only a month after the deal was made, Guyana's President passed away. The outcome of a future election could have a significant impact on the Sask Power investment as opposition

parties all have different views on how the utility should be overhauled.

Your government intends to risk public funds in a shady foreign deal that is viewed with skepticism by private investors. It should also be greeted with suspicion by taxpayers — who know that government has no business gambling with their tax dollars in the first place.

B) NST

In the NST Cable fiasco, the Saskatchewan government, through SaskTel, managed to lose a reported \$16 million. Many are concerned that the losses will be much higher before this is over. Again, politicians have been secretive. This much is known. In 1994, the Saskatchewan government entered into a joint venture with NS - Telecom Group of Vancouver to purchase NST Cable Services of Chicago. The company lost \$2.2 million in 1995, and another \$13.8 million in 1996. The Saskatchewan government put the company into a voluntary form of bankruptcy, but left the issue conveniently hidden for six weeks. The media finally learned of the fiasco when a laid-off American NST employee called the Regina Leader Post to complain.

The government was still unwilling to accept responsibility, shrugging off the loss as "business is business," and claiming they weren't aware of the financial records despite the fact that they were half owner. This reaction was a far cry from their approach during the Gigatext fiasco, when, rightly so, these same politicians were outraged at the loss of \$5 million in public funds.

It is clear that politicians have no business pretending to be high-rolling investors with your tax dollars. Taxpayers learned this lesson the hard way in the 1980s. ■

THE FLOOD: EXCUSE FOR A DEBT?

by Brian Kelcey



Pro-waste lobbies have grown so shrill in their attacks on Manitoba's balanced budget law that they've even suggested that the '97 Flood proves that fiscal conservatives are foolish, blind and morally inadequate. In the most remarkable example, *Free Press* columnist Frances Russell recently argued that the Winnipeg Floodway could not have been built in 1997 because the Balanced Budget Act would have made it impossible or illegal to borrow money for its construction. This is not an academic argument, as many Manitobans are now considering the idea of extending the Floodway north and south to protect more of the valley.

For the record, a well-meaning but ill-informed Manitoba pundit argued that the emergency exemption in the Balanced Budget Act would permit Floodway construction, and that the Act also requires the creation of an emergency fund for such purposes. Neither argument is valid. The emergency exemption would apply only if the Floodway was constructed during a natural disaster, which would be pointless since the disaster would be underway. The mythical "fund requirement" relates to debt repayment, not emergency reserves.

Nevertheless, there are several methods by which the Floodway could have been built under a balanced budget law without needless borrowing. All Ms. Russell and her compatriots need is objectivity and imagination:

1. Public-private partnership

The government could contract-out Floodway construction, and build it as a privately-owned asset. Any debt would be a private liability. The government would lease the Floodway, provided that its requirements were met by the contractor. Similar partnerships have financed infrastructure projects around the world. The Charleswood bridge in western Winnipeg is the largest local example. The B.C. government is considering similar arrangements for the Lion's Gate bridge in Vancouver.

2. Pay-as-you-go from within the current tax structure

Pay for the Floodway from general revenue during construction. Obviously, this plan would require cuts to wasteful spending or new revenues from economic growth to work under a balanced budget.

3.

Propose a special one-time tax increase, win a referendum

Commentators like Russell can't seem to understand that the Balanced Budget Act does allow for increases in major taxes. All that's needed is a referendum to approve the hike. Politicians who propose hikes must now justify them to the people who will pay the bills.

Jurisdictions around the world have seen taxpayers cheerfully vote for tax increases when those increases are linked to something of value. Taxpayers presented with a proposal for a special one-time tax increase that was designed by law to pay for nothing but enhanced flood protection would have something reasonable to consider. If only they'd had a similar choice for the "health and education levy" job tax, which has nothing to do with health or education.

Governments in a sound fiscal position can deal with disasters without a financial hand tied behind their back. If, on the other hand, Manitoba had ignored its deficit, we would now be facing financial disaster to pay for recovery from the natural disaster. For instance, the City of Winnipeg has been considering front-line cuts and a 3|||5||| "flood tax" property tax hike in 1997, on top of an already projected 2||| hike and any school board hikes to pay for flood damage. If the City had been in sound shape, such drastic measures would not even be worth considering. Since the Province is in better shape, the threat of tax hikes and bankrupt governments are something flood victims and reconstruction workers can ignore while they deal with their own problems.

4.

Pay-as-you-go from an internal capital fund

Similar to #3, except the money is "borrowed" from an internal fund accumulated before construction. Russell's column implied that this approach belongs in the dark ages. Happily, the cities of Winnipeg and Brandon are proving Russell wrong. Winnipeg has received praise for its ongoing transition to pay-as-you-go capital financing. Brandon already pays for most of its capital construction from an internal fund. Borrowing and capital spending don't have to go hand in hand.

The Flood of '97 taught us many lessons. Most of them were more important than any question of public fiscal policy. Still, the raging floodwaters also showed how useful fiscally responsible government policies can be, and the alarmist tone of those who've said otherwise demanded a response. ■

DO GRANTS create grant recipients?

Now, thanks to a story by Elizabeth Treger in the May 26, 1997 edition of *Neepawa Press*, Manitoba's taxpayers can glimpse a moment in the life cycle of a grant-receiving organization firsthand.

The "Neepawa Area Recreation Commission" (NARC for short) was initially formed to manage area facilities. According to Neepawa officials, the grant funding that NARC received from the province is generally available to municipalities for similar purposes.

So what is so odd about the NARC? The remarkably frank *Press* story says it best:

"The commission... was initially formed to secure a \$12,000 government grant. The money from the province

goes toward the rec director's salary. Other than that, the commission has had little purpose. Members never budget for programs or staffing, or even organize programs. Those things are all done by the rec director, who also looks after facilities and grants. Since the commission has so little to do with actual recreation programming, chairman Dean Deitrich said it's been difficult to scare up members."

The story arose because of a proposal by a Mr. Dave Harcus (of "Prairie Recreational Consulting") that his company be hired for \$11,000 to create "an assessment and strategic plan, which will include a complete job description for the rec commission and recreation director." Mr. Harcus was responding

to claims by members of the commission board that the NARC was dysfunctional.

The consulting proposal had been rejected since publication of the story, according to Neepawa Secretary-Treasurer Ken Jenkins. Happily, saving the "dysfunctional" NARC won't cost Neepawa residents more money, at least for the moment. But many taxpayers are probably still curious to know why the Province is issuing grants to fund a recreation commission that, in the opinion of its own chairman, "has little to

When the government hands out your tax dollars:



There are always winners and losers. Guess who the losers are?

do with actual recreation programming" and appears to have no organizational structure to boot.

Do handouts beget handout recipients? Let us know if you've heard of any examples by writing to our office. Our address is found on page 2. ■

Canada's senior bureaucrats are nicknamed "mandarins."

Once famous for their evasive answers and drab brown suits, mandarins are now courting fame for their cost to taxpayers.

Canadian Labour Relations Board chairman Ted Weatherill is under attack for his ability to eat, drink and be merry at taxpayers' expense. His salary is said to be between \$128,100 and \$155,800 plus a \$5,400 car allowance, but it is not enough.

During the eight years in his term, Weatherill billed taxpayers an average of \$55,208.62 per year for expenses, including an average of \$18,622.75 per year for meals and liquor. A total of 107 expensed meals cost over \$200, including an infamous \$700 vittles-for-two lunch session at a restaurant in Paris.

Mr. Weatherill spent his money while on a "crusade" to cut costs in his department. The *Ottawa Citizen* put it best: "The drive to eliminate excessive travel expenses at the Canadian Labour Relations Board was flawless except for one element: Mr. Weatherill's own spending habits."

What could have driven him to spend this way? Perhaps he felt a little heady after the 17 glasses of wine (price: \$113) he billed to taxpayers during a "working lunch" in 1994? Or was Mr. Weatherill feeling bloated after 3 working lunches in the same day (price - \$437.38) at the Montreal Ritz Carlton? Or was he tired from unpacking his own used office furniture, which he billed to taxpayers at a price of \$15,000.

The real explanation for why he spends so much is because he can. About 125 senior federal civil servants have the power to approve their own expense claims. A



lives the fine life

by Brian Kelcey

It is misleading to compare these bureaucrats to their managerial counterparts in the private sector. Both Mr.

Fine and Mr. Weatherill would be accountable to someone for their expense allowances.

In the real

world senior managers might be paid "four times more," but they would have to meet performance guidelines and risk getting sacked for poor performance.

Prior to the election, Federal Treasury Board Minister Marcel Masse suggested that he may look at expense policies for all mandarins if the Auditor General finds that some of Weatherill's spending was "improper." Why wait? Why not make managers accountable now? Canada is still borrowing millions each day to pay for such excess, and yet Masse needs an investigation to help him decide if one man's spending over \$18,000 a year on meal and liquor expenses is improper.

Perhaps, Mr. Masse's lack of enthusiasm for managerial accountability is driven by his own experience. After all, before Masse entered politics, he was Clerk of the Privy Council - the most senior Canadian mandarin of all. ■

By Paul Pagnuelo

Nobody likes taxes. But at the times when they are necessary, they must be fair and shouldn't favour individuals over businesses, homeowners over tenants, small businesses over big businesses, or residential over commercial.

As well, governments at all levels should only provide services which taxpayers are willing to support and at the most affordable cost. The fact is there is no free lunch. Whenever governments spend a dollar, it's a dollar that came from taxpayers.

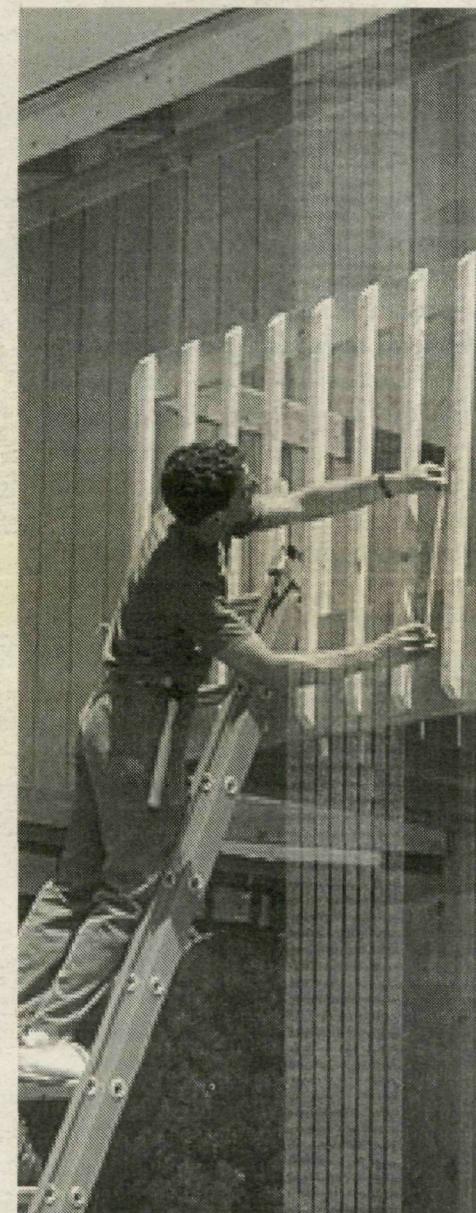
So enter the netherworld of municipal taxation. Most people are familiar with property taxes that many of us pay each year, but have probably never heard of development charges. Yet they make up a significant portion of every new home that's constructed and ultimately affect the price of homes when they are resold.

DEVELOPMENT CHARGES

Development charges are the fees municipal governments charge developers constructing new houses. The money is supposedly used to fund the increased infrastructure needed to accommodate the new residences.

Ultimately, any development charges paid for by the developer are passed on to the new homeowner. These charges just cover the capital costs involved in constructing the roads or community halls and do not cover any maintenance.

Prior to the introduction of these charges, municipalities used levies, included in the prices of lots sold to developers, to raise these revenues. Development charges were introduced by the provincial government to regulate how much cities could charge new homeowners because of concerns that municipal governments were using levies to raise revenues far in excess of what they actually needed. The prov-



ince, for example, limits the level of services to be provided by these fees to the same level already being provided in the city, thus preventing municipalities from expanding through overbuilding facilities and services.

Bill 98, which is now before the Ontario legislature, seeks to go one step further and actually limit what capital costs the municipalities can include in these charges.

This has resulted in a showdown between the tax spenders and the tax fighters.

Development charges User fees or tax grab?

On the one hand, you have the developers who feel that these charges should be limited to basic water, sewer, storm, roads and raw parkland and nothing more.

On the other hand, you have the municipalities who want everything included in this pie from recreation, library, health, social and cultural services, to roads and sewer. And to politicians, such as Tim Jones, the Mayor of Aurora, the fight has become personal. On his Web page, he has resorted to fear mongering claiming that reduced development charges will either result in the construction of second class communities without libraries and parks and even police and fire protection or the costs for these services would have to be picked up by the full tax base. In the case of Aurora, Jones said, this could result in a 25% tax increase based on the next 10 years.

Jones also intimated that developers might try to pocket any savings obtained through reduced development charges (ranging from \$4,000 to \$7,000 in the community of Aurora) instead of passing them on to consumers.

THE OTHER SIDE OF THE COIN

Mayor Jones has resorted to scare tactics to frighten individuals into making hasty decisions without getting all the facts.

Development charges are nothing more than another way of squeezing more tax dollars out of an already overtaxed economy. In fact, under the current system, civic politicians can increase taxes without facing the wrath of the remaining ratepayers. And in many instances, new home buyers may be totally unaware of how much of the

price of their new home is made up of taxes amounting to thousands of dollars.

Expenditures for many of the services currently being funded by development

charges would never see the light of day if local politicians had to face their voters to justify them.

Even worse, development charges only cover the capital costs for constructing the new services and do not cover the huge costs associated with hiring new personnel or providing continued maintenance. As a result, they are a backhanded way of committing all property owners to future tax increases to pay for the ongoing operating costs associated with the capital expenditure. They're a classic example of "taxation without representation."

As well, the reduction in development charges will lead to reduced prices for consumers, as these costs don't eat into the profits of developers because they're passed on to the purchasers of the property just as any other cost is.

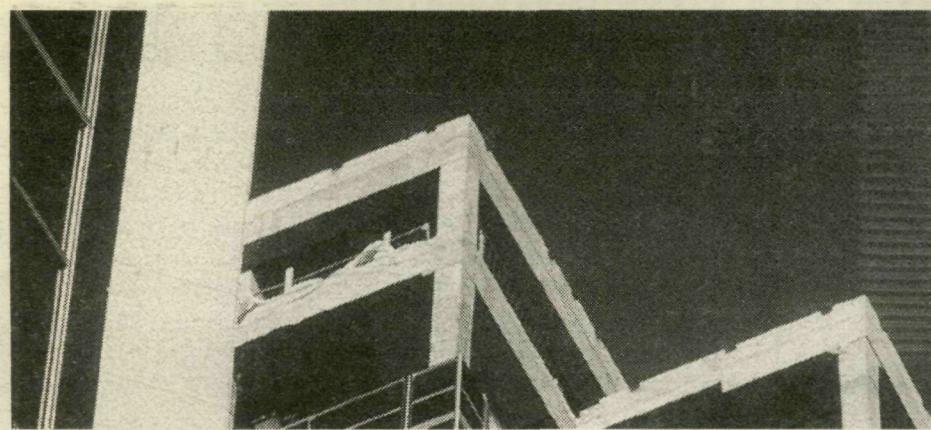
Mayor Hunt and others who think like him are wrong, when they equate their use of development charges to the "user pay" principle. As a general rule there is nothing wrong with user fees. In fact, they are a fairer means of funding certain types of government services because all taxpayers are not required to subsidize specific users or beneficiaries. However, certain individuals shouldn't pay extra for services that actually benefit the whole community. This is fundamentally wrong when it comes to tax fairness.

Where is the fairness in asking the owner of a new property to pay for the capital costs of a new police cruiser, when that same owner will help pay for the replacement of an existing police cruiser used in another part of the municipality?

Where is the fairness when a family with two children purchases an existing purchases a home from a childless couple and puts increased pressure on the area's libraries and community centres without having to pay any development

Continued on page 23

When building new community facilities and city halls, municipal governments often fail to ask even the most basic questions: Does the community really need it? Can taxpayers really afford it?



fees? Meanwhile a childless family purchasing a new home is forced to pay it.

New homeowners will add to the municipal tax base and that new revenue should cover any increase in the costs of general services such as garbage, fire protection, libraries and community centres already being paid out of general tax revenues by established subdivisions.

SUMMARY

Development charges are discriminatory and unduly penalize and hurt the owners of new properties. If the owners of a new property should be financially responsible for certain infrastructure, then fairness dictates that the owners of properties in established ar-

eas should equally be responsible for repairing or replacing similar infrastructure within their neighbourhood. Such costs could be amortized and debentured and reflected on property tax bills as a 'local improvement tax,' separate from the general municipal levy.

Bill 98 is a timid step in the right direction, but it falls well short of putting an end to the *free lunch* concept and the

introduction of a system which is fair and equitable to all taxpayers.

Municipal governments should be directing their energies towards reducing local tax burdens by providing cost-effective and efficient services to their citizens. This would make their communities an attractive place in which to live, work and invest. ■

PROMISESPROMISESPROMISES

by Paul Pagnuelo

At election time, politicians are at their professional best, pounding us with incessant, day-after-day, promises of things they will do if elected. Their repetitive, rehearsed voices resemble those of a midway huckster. And you know from times past, the odds are that you're about to get suckered again.

Once elected, the story of promises made and promises delivered is often quite different. If we were to rate our politicians for their past performances, most would get an 'A' for glitter, hype and vote buying; an 'A+' for stage acting and promise making; and a 'D-' for integrity and kept promises.

Between elections, governments count on voters lapsing back into a semi-conscious state where the details of all those promises will be forgotten.

Take for example, two of the promises made during the last election by Ontario's Mike



Harris government.

"I, Mike Harris, Leader of the Progressive Conservative Party of Ontario, pledge, if elected, to support immediate passage of Taxpayer Protection Legislation..." read the preamble to the signed pledge dated May 30, 1995. A pledge which all but one Tory candidate put their signature to during the campaign.

On three separate occasions during the election campaign, Harris emphasized in news releases that the legislative package would be introduced during his government's first legislative session.

The commitment in the

minds of voters was quite clear. If elected, one of the first legislative initiatives of a Harris government would be the passage of a balanced budget, tax referendum law.

Last year, on the first anniversary of the signing of the pledge, the Premier said the legislation would be delayed until the fall of 1997. More recently, in an interview with Canadian Press, he said the legislation won't be ready for a couple of years.

"Immediate" in the vocabulary of the unelected means "now." But obviously we all misunderstood, because in the spin language of the politi-

cians "immediate" means sometime in the distant future. And "first" legislative session means at its best "last" and at its worst "never."

And then there's the promise that was made by high profile members of the Harris government, such as Al Leach and Isabel Bassett, that they would never support the imposition of Market Value Assessment (MVA).

A Mike Harris government, they pledged, would review all the alternatives to MVA to determine whether an alternative method would offer a more equitable and efficient means of assessing taxes.

Now Leach and Bassett are at the forefront in defending the government's decision to impose Actual Value Assessment (AVA) — the highest-cost, most labour-intensive and most unstable system — on a province-wide basis.

Call it market value, actual value, current value, fair value. It all means the same. Simply renaming it and tinkering with some of the details like Jean Chretien has with the GST/BST, is not the election promise that taxpayers heard.

"For too long, the Legislature has been filled with the sound of promises being broken." How true.

The words could have been spoken by any mere mortal. But they weren't. They were uttered by Mike "The Tax-fighter" Harris just days before the last provincial election.

It seems, that in politics, some things just never change. ■

ENVIRONMENT CANADA GRANTS AND CONTRIBUTIONS 95/96

The following is a list of some of the grants/contributions handed out by Ottawa through Environment Canada (EC) for the fiscal year 1995-1996. Each grant/contribution was handed out to an individual or organization, with the intent that the money would go towards the preservation and enhancement of environmental quality. According to an Access to Information request the CTF made to EC, the sum total of grants and contributions given was \$54,482,716. This differs from the amount quoted in the 1996-1997 Estimates, which states that the total grants and contributions given for the fiscal year 95/96 was only \$46,508,000—a difference of nearly \$8 million.

Grants are given with no strings attached. Contributions are grants with conditions

attached to them that have to be met in order to receive the money. In both cases, the recipients are not required to pay back any of the money received from Environment Canada. Transfers to the provinces, The Economic Instruments Initiative, The Environmental Partners Fund, the St. Lawrence Vision 2000-Community Interaction Program and Habitat Enhancement Program, Public Participation in Reviews, Action 21 Program, North American Waterfowl Management Plan, Building International Partnerships Program, and the Technological Development and Demonstration Program are all considered contributions, whereas, the Meteorological Research, and most other research efforts are considered grants.

Provincial Treasurer of Alberta - Northern Rivers Study ... \$789,000
 Centre for Sustainable Transp. 33,000
 Canadian Community Newspaper Assoc. - Youth Science Fair 500
 Great Lakes Pollution Prevention Centre 850,000
 Organization for Economic Cooperation and Development 156,588
 University of Victoria - Canadian Climate Research Network 2,700,000
 Ville De Montreal - Montreal Biosphere 185,189
 Canadian Environmental Network - Community Support Program .. 600,000
 International Council on Cooperation & Development of Hydrogen .. 25,000
 Greater Vancouver Regional Development - Wildlife Habitat Compensation Program - Fraser River... 2,250,000
 Victor Lichtenberger - North American Commission for Environmental Cooperation 4,093,267
 Federation of Canadian Municipalities - 20% Club 80,000
 Inuit Tapirat of Canada 2,250
 Inuit Tapirat of Canada 45,000
 Quebec - Minister of Environment - James Bay Agreement 95,000
 Province of B.C. - Integrated Fed/Prov Water Management 32,000
 Sustainable Cities Foundation 685,000
 Minister of Finance-Quebec - St.

Lawrence Action Team ... 2,500,000

Multilateral Fund of Montreal Protocol

Multilateral Fund Secretariat - Implementation of Montreal Protocol on substances which deplete the ozone layer 1,849,000
 Canadian Commercial Corp. 162,400
 Taylor-Wagner Inc. 18,199

Cooperative Wildlife Research Network

University of New Brunswick 100,000
 University of New Brunswick 100,000
 Simon Fraser University ... 200,000

Economic Instruments Initiative

University of Alberta 51,000
 B.C. University 1,408
 University of Guelph 30,500
 Universite Laval 43,839
 University of Ottawa 22,800
 Queen's University 30,000

Environmental Partners Fund

Save Our 5,615
 The Pembina Institute 54,747
 The Evergreen Foundation ... 42,554
 The Meewasin Foundation ... 70,000
 The Green Environ. Group ... 17,818
 Falls Brook Centre Inc. 6,560
 ACAP Saint John Inc. 4,177
 Miramichi River Enhancement 10,096

Atlantic Farmers Council 61,025
 Conservation Council of N.B. 11,000
 N. B. Environmental Network . 13,884
 Trees International Inc 31,100
 N. B. Federation of Naturalists . 2,080
 Foret Experimentale Ecole des etudes 14,720
 N. B. Federation of Naturalists 15,000
 Papa Noels Special Toys Inc. . 7,000
 La Foret Experimental 10,850
 Humber Arm Environmental Association 19,193
 Coastal Clean-Up Association 48,000
 Stewardship Association for Municipalities 10,000
 Ducks Unlimited 10,000
 Port Blandford to Winter Brook Development 8,000
 White Bay Central Dev. Assoc 10,000
 Benoit's Cove Indian Band Council - Environmental Partners Fund 10,000
 Environmental Committee 6,900
 Friends & Lobbyists of Water. 19,169
 Virginia River Conservation Society 10,000
 Codroy Valley Waste Disposal 10,000
 Boys & Girls Club of Newfoundland & Labrador 14,863
 Harbour Authority of Bay Bulls . 2,222
 Gander Bay Hamilton Sound Development 18,860
 St. Anthony and Area Kinsmen. 1,134
 Clean Annapolis River Project 16,900

The Pond Project 12,079
 Ecology Action Centre 22,342
 L'inst.de development Comm. 29,235
 L'atelier des copains co-op Itée 35,950
 Association pour la protection des dunes 15,605
 Comité de eco-beausejour .. 37,251
 Whycocomagh River-Denys Trout Unlimited 22,000
 Sackville Rivers Association.. 49,915
 ACAP Bluenose Atlantic... 15,170
 Clean Nova Scotia Foundation . 3,900
 Oasis Environmental Society . 19,260
 Used Building Material Industry 10,000
 Frambroise River Falls Nature Site 2,000
 Clean Nova Scotia Foundation 26,600
 Earth Warden Program Hospital 37,250
 Harbour Authority of Catalina .. 1,202
 Harbour Authority of Bonavista. 1,198
 Harbour Authority of Lumsden . 1,262
 Harbour Authority of Wesleyville. 764
 Boys and Girls Club of Sydney 19,220
 Public Liaison Committee, North Renfrew 4,995
 Be Green Barrie 25,000
 London Green Horizons Inc. .. 3,000
 The Avon River Conservation Club 6,182
 Butterfly Coalition - Urquhart .. 10,000
 Black Creek Project 5,296
 Greensave-Urban Environment

Centre 34,050
 Emery Creek Environmental Association 8,000
 Long Point Bird Observatory... 5,000
 McIlwraith Field Naturalists .. 2,126
 Pollution Probe 49,000
 Save the Rouge Valley System 16,658
 Friends of the Wye Marsh ... 3,668
 Norwell Environmental Group... 250
 Rouge Valley Foundation ... 20,000
 Fed. of Ontario Naturalists ... 10,000
 Fed. of Ontario Naturalists ... 39,998
 Nature Roots - Stratford ... 8,500
 EPF Paye JV - IPU34651 ... 3,269
 From Car Culture to Green Cult 4,000
 Rotary Greenway Trail 3,000
 Hood Ecological 1,000
 Todmorden Mills 1,500
 Bay of Quinte Rap Bismuth Sinker Exchange 3,550
 Windsor Chamber of Commerce 6,000
 Science North Forest Under Study 8,000
 Tillsonburg Joint Services COA 10,000
 Hispanic Development Council 14,940
 Second Marsh Project 25,000
 Grand Valley Trails Assoc ... 14,918
 Essex County Field Naturalists 49,600
 Beyond the Blue Box 11,908
 Lucknow & Dist. Lions Club.. 11,000
 Maitland Valley Anglers Inc... 48,123
 Assoc for Cdn Educ. Resource. 4,330

OTTAWA - **Mitch Gray** appeared live on CBC Newsworld with David Perry of the Canada Tax Foundation. The topic of discussion was the positions of the various political parties on tax policies and tax cuts.

VICTORIA - Two half-page newspaper ads sponsored by the **CTF-BC** met the Western Premiers at their Campbell River conference. Written as an open letter to Premiers Klein, Romanow and Filmon, the ad begins: "During your meetings with Premier Clark this week, could you please explain to him how you have managed to balance your province's budget?"

REGINA - The **CTF-Sask** caused quite a stir when the provincial Finance Department refused to provide a breakdown of income tax revenues, in an attempt to hide the huge amounts collected through extra "flat" and "surtaxes." CTF-Sask ventured to suggest to the media that it was over \$400 million, accounting for well over 1/3 of all provincial income tax revenues. Without these "extras" Saskatchewan's basic income tax rate

would be about 75% of basic federal tax. This generated coverage on CBC and in both major dailies, and was also the topic of a heated question period. The government, embarrassed by all the publicity, finally released the dollar amount which showed that the CTF numbers were correct.

TORONTO - **Brian Kelcey** took part in the Ontario budget lock up and gave a number of media interviews afterwards at the Legislature. **Paul Pagnuelo** appeared on CBC Face-Off later that day debating the implications of the new budget.

VICTORIA— The B.C. government had until midnight Wednesday May 28 to file an

action against the CTF for alleged Election Act violations. No action was filed and CTF-BC is in the clear.

WINNIPEG - **Brian Kelcey** was interviewed by the *Toronto Star* about government flood relief spending. He also commented to the *Winnipeg Free Press* after the release of school, crown and municipal sector salaries under the new Public Disclosure Act.

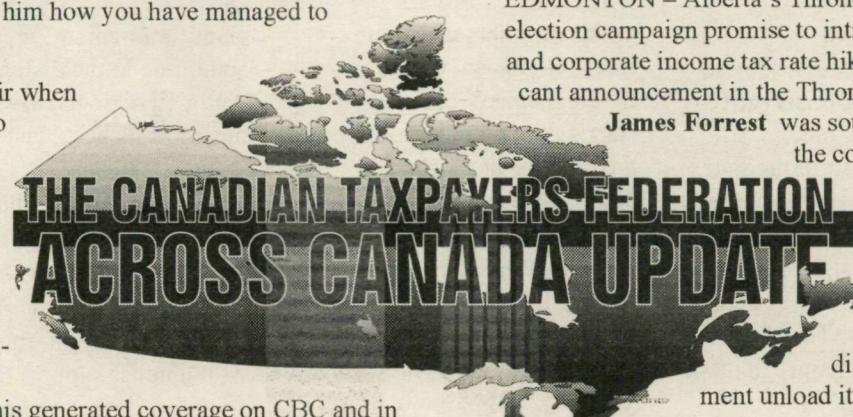
EDMONTON - Alberta's Throne Speech contained a reiteration of Premier Klein's election campaign promise to introduce a taxpayer protection bill, preventing personal and corporate income tax rate hikes without voter approval. As it was the most significant announcement in the Throne Speech, it generated the most media interest.

James Forrest was sought out by reporters and explained the benefits of the concept in a scrum with major national and provincial media immediately following the speech. **James** stressed that TPL has always been a CTF priority, that we have promoted it for years, and that we will continue to push for it at the federal level.

REGINA - CTF-Sask was featured by various media outlets demanding that the Saskatchewan government unload its Sask Power investment in Guyana.

NATIONALLY - CTF provincial offices responded to a number of TV, radio and print media inquiries on issues about the federal election. The Monday following the election, the CTF issued a national news release stressing the importance of the Liberal government maintaining the goal of a "0" deficit.

TORONTO - CTF-Ontario was on the front page *Toronto Star* speaking out on the Harris government's passage of its property tax reform bill. CTF-Ontario was also featured in stories on the bill by the *Globe and Mail*, CBC English and French TV, Broadcast News, *Canadian Press*, the *Ottawa Sun* and CFRB. ■



Canadian Nature Federation . . . 9,826
 Environmental Awareness
 Resource 4,166
 Beausoleil First Nation 4,000
 Clearwater Creek Committee . . . 28,650
 Wye Marsh Habitat
 Improvement 16,800
 Save the Rough Valley System . . . 30,000
 Future Watch Environment . . . 12,550
 Toronto Chinese Health Educ . . . 13,513
 Clean Air Partnership 37,090
 Belleville Green Check 25,000
 London Goodwill Industries . . . 20,000
 Muskoka Heritage Foundation . . . 11,700
 Greenwood Park Forest Area . . . 5,400
 Southampton Beach Assoc 50,000
 Environmental Working Group . . . 23,347
 Elora Centre for Environmental
 Exchange 27,000
 Toronto Environmental Alliance . . . 35,000
 Hamilton Region Conservation
 Authority 25,000
 Community Bicycle Network
 Project 20,000
 Churchill Parent Teacher Assoc . . . 3,700
 Parks & Recreation Department . . . 14,508
 Action to Restore a Clean
 Humber 40,000
 North Renfrew Waste Board . . . 5,000
 Clean Nova Scotia Foundation . . . 453
 Environmental Coalition of PEI . . . 2,360
 O'Leary Wildlife Federation 9,827
 Environmental Coalition of PEI . . . 11,517
 Island Nature Trust 2,500
 Bedeque Bay Environmental
 Management 3,286
 Bedeque Bay Environmental
 Management 28,790
 Southeast Environmental Assoc . . . 5,154
 Environmental Coalition of PEI . . . 21,586
 Charlottetown Area Waste Mgmt . . . 8,000
 Charlottetown Boys & Girls Club . . . 1,898
 Belle River Environ. Protection . . . 3,600
 Environmental Coalition for PEI . . . 10,544
 Tryon River Watershed
 Co-operation 7,800
 O'Leary Branch PEI Wildlife Fed . . . 9,960
 Boughton River Watershed
 Enhancement 10,174
 North Queens Wildlife Federation . . . 9,790
 Sturgeon River Improvement
 Project 9,583
 Dura-Club 14,903
 Corp. de Gestion Charmes 3,320
 Environnement Jeunesse 49,525
 Coup de Pouce Travail
 1982 Inc. 36,615
 Foundation Quebecoise en
 Environment 10,871
 Recyclage Lac Massawippi 8,800
 Corporation de Gestion
 Charmes 45,250
 Conseil Regional de Environnement de
 Lanaudiere 50,000
 Conseil Regional de Environnement de
 Lanaudiere 50,000
 Nature-Action 39,340
 Conservation Faune Aquatique 36,000
 Garde 44,400
 Conseil Regional de Environnement
 Reg Que 46,500
 Eco Sommet 35,000
 Union Pour le Developpement 10,000
 Harbour Authority of Valleyfield 638
 Saske159 5,792
 Kerrobert & District Wildlife
 Federation 4,252
 Sierra Club, Agassiz Group 2,160
 Westman Recycling Council
 Mane 122 10,000
 J.J. Recycling 1,999
 Thompson Environmental Council
 Mane 141 9,389

BUY THE BOOK

Every passing election reminds us of our country's enduring commitment to democracy. At least that's what we like to think.

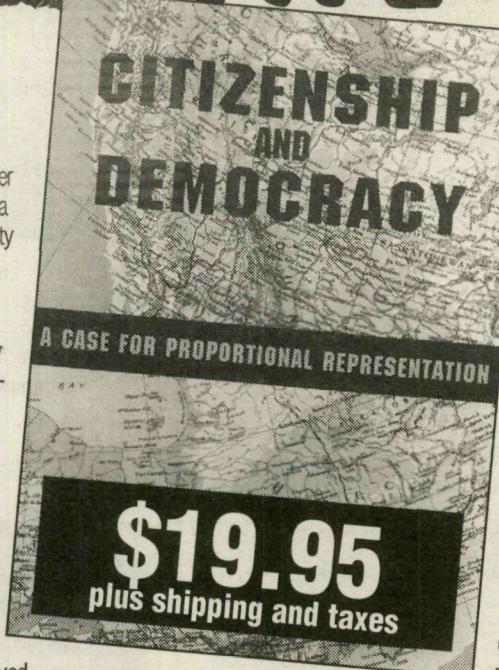
Citizenship and Democracy, a book recently authored by former B.C. MLA Nick Loenen, challenges that notion: "We do not have a democracy," he says. "On almost every election night the majority of voters get neither the local representative nor the government they voted for. How democratic is that?"

He has a point.

Loenen adds, "Governments that receive a legislative majority artificially manufactured from a minority of the votes cannot legitimately claim to be the people's choice, or the voice of the people." Our recent "commitment to democracy" saw the Liberal party, which got 38% of the vote receive 100% of the power, effectively disenfranchising the other 62% of Canadians of any meaningful participation in the governing process.

Loenen zeros in on what he believes to be the problem: our "first-past-the-post" electoral system. Seldom does an MP or MLA receive a majority of the votes in their respective constituency — generally, the largest *minority* wins. But even that's not always the case. In B.C., the governing New Democrats received 39% of the vote; 3% less than the opposition Liberals who received 42%. "There may be good reasons [for this system] but the claim to a popular mandate is not one of them."

In his book, Loenen advocates moving to proportional representation (PR), a system that connects the percentage of vote received by a party to the number of seats it receives in parliament. It may surprise many readers that our "first-past-the-post"



electoral system is increasingly an anomaly among democratic nations. Stable democracies like Switzerland, Netherlands, Spain, Ireland, Brazil, Denmark and Indonesia have had systems of PR for much of this century. While other countries like Germany, Japan, and most recently New Zealand, have mixed systems that draw on the strengths of both.

If we transpose the recent federal election results into PR, the Tories who garnered 19% of the vote would have their seat total increased from 20 to 57. Inversely, the Liberals' 38% of the popular vote would have 41 seats taken off their total of 155. Suddenly the disenfranchised "majority" of 62% who voted for parties other than Liberals would see their votes actually counted.

Loenen also argues that PR would diffuse the concentration of power in the hands of a few cabinet ministers and officials in the offices of our Premiers and Prime Minister.

Critics charge that PR leads to constant changes in government and unstable "pizza parliaments." But Loenen counters that this has not been the experience of several countries that use PR. And further, why should majorities exist if the people don't vote for them?

Loenen's book is both timely and compelling and challenges our traditional notions of democracy in Canada while inviting us to consider alternatives. Like referendum and recall, elements of proportional representation will gain momentum as an idea that will reconnect citizens with their democratic institutions and processes.

An exercise in futility? Writes Loenen: "Realistically, voting reform will not happen for some time, but pointing the way to a better social order is never fruitless."

Loenen notes our Commonwealth cousins in the South Pacific are once again leading the way. On October 12, 1996, after twelve years, dozens of reports and hearings, debates and two national referendums, New Zealand elected a parliament in which half its members were elected by first-past-the-post while the other half were elected by PR. Similar moves for reform are taking root in Great Britain.

Loenen states that while Canada has flirted with PR historically, current "appeals to consider PR may be found in the scholarly journals that collect dust in university libraries, but there is little public awareness of the idea." Nick Loenen's book is one big step to change all that. ■

Interested in more information on Direct Democracy? Try two books by Patrick Boyer:



People's Mandate \$19.95 ea

Boyer examines the important role ordinary Canadians can play in their own government through referendums and citizen initiatives.

Direct Democracy in Canada \$19.95 ea

Analyzes the effect of three national referendums (prohibition, conscription and the constitution) on Canadians. The book also looks at other suggestions for referendums.

copies of *Citizenship and Democracy* at \$19.95 ea
 copies of *The People's Mandate* at \$19.95 ea
 copies of *Direct Democracy in Canada* at \$19.95 ea

Total cost of order:

Add 7% GST:

Add 7% PST (Saskatchewan residents only):

Postage and handling first book:

Postage for each additional book 50 cents each: (note: this 50 cents postage fee for each additional item also applies to any shirts or caps purchased in conjunction with the books)

Total order:

\$3.50

Method of payment: Mastercard Visa cheque

Name on card:

Visa/Mastercard #:

Name:

Address:

City/town:

Expiry date:

Prov:

PC:

Please allow 3-4 weeks for delivery. Send your order to:

The Canadian Taxpayers Federation, #105-438 Victoria Ave. E., Regina, Sask. S4N 0N7 Fax: 306-352-7203 or Phone 1-800-667-7933

Dufferin Soil and Water 6,200
 Grey Soil Mgmt Mane 004 1,298
 Cornerstone Ent. Inc. 15,000
 Dugald Costume Collection Inc. 4,095
 Manitoba Purple Loosestrife -
 Manitoba Weed Sup Assoc. 10,250
 Versatech Industries Inc. 15,000
 Manitoba Heavy Construction
 Association 23,500
 Wild-Wise Inc. 3,060
 Manitoba Habitat Heritage Co. 58,000
 Living Bible Explorers 4,964
 Coalition to Save the Elms 15,000
 The Global Change Game 12,180
 Chief Peguis J. H. PTA 5,100
 National Aboriginal
 Achievement 11,250
 Klahoose First Nation 9,000
 Metis Settlements Transition 12,000
 Transcona Rotary 4,500
 Kenaston Community Environ 13,950
 La Ronge Envri-Health Found. 6,500
 Missinipe Broadcasting Corp. 17,448
 Wanuskewin Heritage Park 12,000
 Sask. Waste Reduction Council 1,198
 Guardian Outdoor Education
 Commission 5,000
 Estevan Diversified Services. 26,750
 Sustainable Cities Foundation 10,000
 Forests for the World Commiss. 10,300
 Cambie Corridor Consortium 15,654
 Better Environmentally Sound Transport
 Assoc 36,190
 Save Georgia Strait Alliance 10,650
 Citizen's Advisory for Research 10,000
 Island Stream and Salmon
 Enhancement 25,000
 Bowen Island Forest & Water
 Management 16,483
 Greater Victoria Cycling Coalition 4,548
 Reach for Unbleached 11,075
 The Coastal Community
 Network 76,886
 The Evergreen Foundation 20,537
 Assoc. for the Promotion & Advance-
 ment of Science Educ 25,000
 Federation of BC Naturalists. 15,000
 Federation of BC Naturalists 20,000
 Waste Pesticide Disposal BC. 17,400
 Recycling Council of B.C. 5,000
 Earthlife Canada Foundation. 45,000
 SUCCESS Community
 Outreach 15,000
 Cowichan Community Land
 Trust 10,000
 Wild Bird Trust of BC 12,000
 Turtle Island Earth Stewards. 25,908
 Human Hitec Assist 4,225
 Planning Students Association of the
 University of BC 10,000
 Environmental Youth Alliance. 10,000
 West Coast Environmental Youth
 Alliance 10,703
 Van Island Advanced Technological
 Centre 8,856
 United Fishermen & Allied Work 4,992
 Comox Valley Project 18,134
 West Coast Environmental
 Law Research 7,100
 Salt Springs Island Comm. Soc 2,050
 Okanagan Save our Lakes Soc. 18,518
 Campbell River Recycling 11,268
 Cormorant Island Recycling. 13,279
 Northern Environ. Action Team 27,291
 Mayne Island Recycling Soc. 3,207
 Cdn Parks & Wilderness Soc. 12,500
 BC Federation of Agriculture 450
 T. Buck Suzuki Environmental
 Foundation 2,000
 North Island Cooperative Recy-
 cling 37,911
 Rotary Club of Vancouver South 1,896
 Penny Salmon Enhancement. 5,911

Northwest Side Rd Ratepayers 20,600
 Canadian Earthcare Society. 30,000
 Sea to Sea Greenbelt Society. 4,650
 Baker Crk Enhancement Soc. 16,230
 Campbell River Rotary Club 9,880
 Wild Bird Trust of B.C. 6,030
 Environmental Youth Alliance. 12,040
 Steelhead Society of B.C. 10,000
 Friends of Boundary Bay Fraser 10,000
 Langley Environmental Partners 30,000
 BC Teachers' Federation 3,000
 Deep River Science Academy 30,000
 Central Okanagan Regional Dist 22,300
 Global Education Project - Yukon
 teacher 5,000
 G & C Action 21 Paye 27,976
 Nature Conservancy of Canada 18,000
 Crown of the Continent Society 4,020
 Trout Unlimited Canada 18,900
 Medicine River Wildlife Rehab
 Centre 39,772
 Friends of the Devonian Botanic
 Garden 23,280
 Standard Recycling Building 5,979
 Pembina Institute 11,780
 Vermillion River Naturalists 2,000
 Didsbury Schools Habitat Project 3,775
 Newell Recycling 14,800
 Sherwood Park Fish and Game
 Association 1,500
 Bow River Foundation 5,000
 Stanislaw Sandblaster Cons SC 4,000
 Greater Edmonton Home Builders
 Association 6,225
 Soil & Water Conservation Soc 2,677
 Lakeland Agriculture Research
 Association 7,827
 Valhalla Condominium Assoc. 16,900
 Northern Coordinated Action 10,000
 Alberta Fish & Game Assoc. 20,557
 Drumheller Recycling Assoc. 65,395
 Ellis Bird Farm Ltd. 25,601
 St. Mark Junior High School 25,000
 Precipice Theatre 1,500
 Feesa 15,000
 Environmental & Outdoor Educ 2,500
 Striking a Balance 4,000
 Vital Grandin School 500
 Elbow River Valley 500
 Girl Guides 800
 NWT Chamber of Commerce 5,750
 Regina Urban Environment. 1,000

**St. Lawrence Vision 200 - Community
 Interaction Program**

Comite Zip 1 Strategies
 St-Laurent 80,000
 Comite Zip 2 Alma Jonquiere. 41,000
 Comite Zip 3 Baie Comeu 30,000
 Comite Zip De la Baie Des
 Chaleurs 30,000
 Comite Zip 5 est Montreal 56,250
 Comite Zip Haut St-Laurent 70,000
 Comite Zip De la Baie 43,500
 Comite Zip Du Lac Saint-Pierre 50,000
 Comite Zip De Quebec 50,000
 Comite Zip Ville Marie 30,000
 Corporation De Amenagement Riviere
 Assomption 6,000
 Maison Leon-Provencher 55,706
 ABC Enviro-Faunique Inc 9,975
 Conseil Reg. En Environnement de la
 Monterege 62,513
 Societe Amenagement De Baie
 Laval 49,250
 Centre Ecologique Du Lac
 St-Jean 18,666
 St. Lawrence Valley Natural Soc 9,593
 Society De Verdissement Du Montreal
 Metro 10,000
 Societe Duvethor LTEE 37,582
 Societe Duvethor LTEE 6,270
 Comite De Environ. Chicoutimi 55,000
 Societe De Conservation De

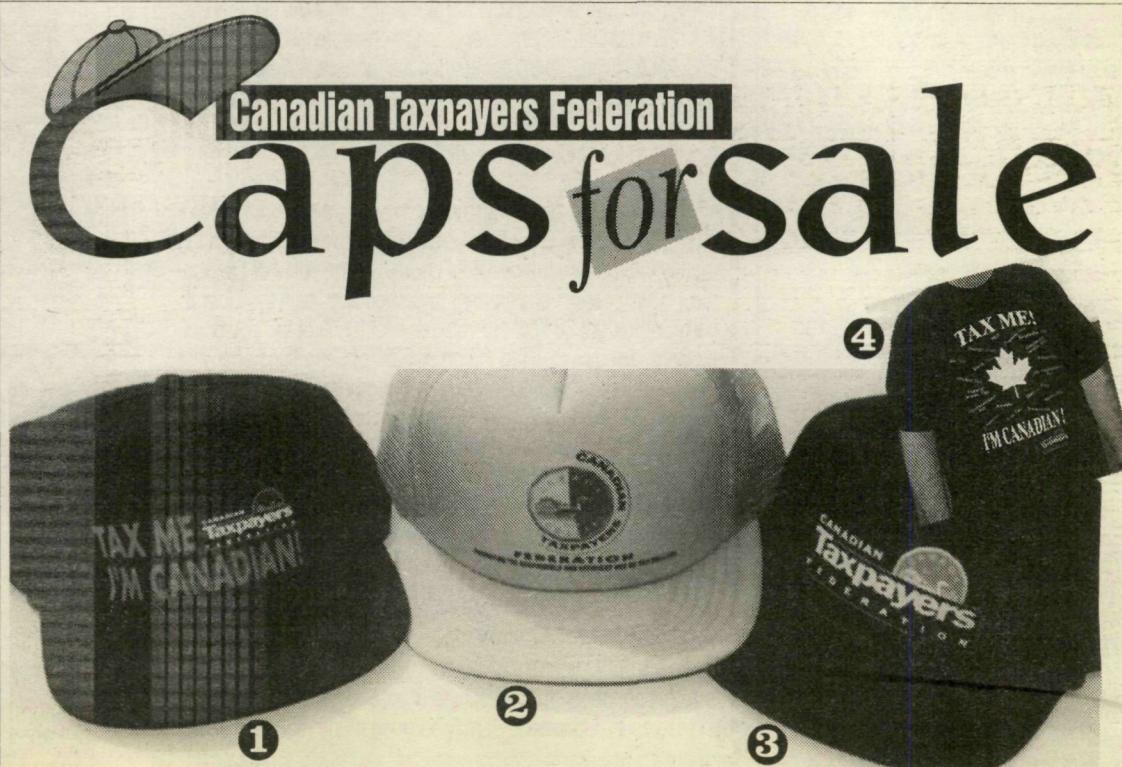
L'isle Verte 179,203
 Federations De L'Upa 60,355
 Comite Zip La Baie 9,896
 Cape 73,240
 Societe Duvethor LTEE 10,000
 Comite-Zip La Baie 14,672
 Attention Fragiles 75,000
 Interaction Pointe-Claire 8,000
 Fondation Quebecoise Pour La
 Protection Du Patrimoine 2,000
 C.A.R.A. 15,000
 Comite De Valorisation Riviere

Beauport 21,000
 Club De Golf St-Michel 9,659
 Comite De Environ. De Matane. 9,900
 Comite Zip De Quebec 8,029
 Societe De Conservation De La Baie De
 L'isle Verte 1,800

**St. Lawrence Vision 200 - Habitat
 Enhancement Program**

Bioparc De La Gaspesie' 65,000
 Corporation De Gestion Du Developpe-
 ment Riviere St. Maurice 38,000

Societe De'Ecologie Des 1,000
 Societe Duvethor Inc. 4,000
 Parc De La Riviere Des Milles 15,000
 Fondation De La Faune Du
 Quebec 109,995
 Fondation De La Faune Du
 Quebec 75,500
 Foserm 25,000
 Institut de Recherche en
 Biologie Veg. 15,000
 Societe D'Amenagement de Baie
 Laval 993



Get your choice of a Canadian Taxpayers Federation Cap:

1. "Tax Me I'm Canadian" Navy blue men's dress cap: Cotton, leather sizer, brass buckle - \$12.00 each

Total number of "Tax Me I'm Canadian" caps @ \$12.00 ea.

2. Grey men's cap with Canadian Taxpayers Federation logo: 100% polyester, nylon mesh on back, plastic adjuster - \$8.00

Total number of grey caps with CTF logo @ \$8.00 each.

3. Navy blue men's dress cap with Canadian Taxpayers Federation logo: Cotton, leather sizer, brass buckle - \$12.00 each

Total number of blue caps with the CTF logo @ \$12.00

4. "Tax Me I'm Canadian" t-shirt - Navy blue, 100% pre-shrunk cotton - \$18.00 each.

(Please indicate the number you want by size)

Large

XLarge

XXLarge (add \$2.00 for XX Large)

Total number of shirts @ \$18.00 (plus additional \$2.00 for XX Large)

Total cost of order:

Less 10% discount on orders of 5 or more (caps and shirts can be combined):

Total (less discount):

Add 7% GST:

Add 7% PST (Saskatchewan residents only):

Postage and handling first t-shirt or cap \$3.50:

Postage for each additional t-shirt or cap add 50 cents each: (note: this 50 cents postage fee for each additional item also applies to any books purchased in conjunction with shirts and caps):

Total order:

Method of payment:

Mastercard

Visa

cheque

Name on card: _____ Expiry date: _____

Visa/Mastercard #: _____

Name: _____

Address: _____

City/town: _____ Prov: _____ P.C: _____

Please allow 3-4 weeks for delivery. Send your order to:
**The Canadian Taxpayers Federation - 105-438 Victoria Ave. E., Regina,
 Sask. S4N 0N7 Fax: 306-352-7203 or Phone 1-800-667-7933**

Nature Conservancy Canada . 152,100
 Eco Nature de Laval Inc. 70,000
 Societe de Conservation de La Baie de L'isle Verte 15,000
 Societe Duvetnor Inc. 12,000
 Soc Zoologique de Granby Inc. . 7,000
 Universite du Quebec a Montreal 145,000
 Les Amis De La Vallee 8,500

Federal/Provincial Water Resources Projects

Newfoundland Exchequer . . 240,828
 Humber Arm Environmental Association 1,263
 St. Johns Harbour ACAP Inc. 3,872
 Simon Allard 9,995
 Nfld Exchequer 2,472
 N.B. Minister of Finance 2,205
 Nova Scotia Department of Natural Resources 7,800
 Bluenose Atlantic Coastal Action Plan 5,000
 ACAP Cape Breton Inc. 5,549
 Nova Scotia Department of the Environment 6,000
 Eskasoni Economic Dev. 20,000
 N. S. Dept of Agriculture & Mar 11,186
 Tourism Industry - N. S. 5,000
 CMHC 4,000
 Clean Annapolis River 10,000
 Clean N.S. Foundation 6,000
 Cumberland Soils & Crops Assoc. 4,800
 Nova Scotia Agricultural College 5,000
 N. B. Minister of Finance 35,000
 Ad Hoc Multimedia Inc. 500
 Beliveau-Couture Inc. 8,850
 Cabinet de Traduction Dialangue . 738
 Gilles Wiseman 9,999
 Horizon Systems ENR 4,000
 Hypertec Systemes Inc 23,981
 La Societe Biancamano Bolduc 27,265
 Ministere de la Faune de Quebec 11,168
 Newfoundland Exchequer 240,828
 Humber Arm Environmental Association 1,263
 St. Johns Harbour ACAP Inc. 3,872
 Simon Allard 9,995
 Patrick Beauchesne 11,097
 Photocartotheque Quebecoise 7,254
 Radarsat International Inc. 3,412
 Solutions Consortech Inc. 10,441
 Universite Laval 299

Flood Damage Reduction Studies and Flood-Risk Mapping

Provincial Treas. of Alberta . . 59,000
 Ministry of Environment, Lands - B.C. 223,000
 Software Kinetics 9,507
 Imprimerie Laurentide 2,280
 Imprimerie Provinciale 6,176
 Informatique Multie Hexa Inc. 294
 Les Arpenteurs Geometres Gendr 34,240
 Ministere de la Faune de Quebec 67,282
 Mono Lino Inc. 1,209
 Patrick Beauchesne 7,000
 Photocartotheque Quebecoise 35,085
 N. B. Minister of Finance 20,000
 Provincial Treasurer Alberta 60,000

Meteorological Research Grants

CERCA 20,000
 University of Toronto 80,000
 McGill University, Science Subvention 40,000
 Daniel Caya-Scholarship 5,800
 M. Szczodrak-Scholarship 5,800

Markus Kellerhals-Scholarship . . 5,200
 Wanda Szrymer-Scholarship 5,800
 Paul Kushner 5,800
 W. Szrymer, Post-Grad Award 5,800
 Wanda Szrymer 5,800
 Carleton University 7,000
 Dalhousie University 32,000
 McGill University 166,500
 McMaster University 11,000
 Memorial University of Newfoundland 27,500
 Queen's University 3,000
 Trent University 14,500
 Universite de Montreal 5,000
 Universite de Quebec a Montreal 47,000
 Universite de Sherbrooke 6,000
 Universite du Quebec 5,000
 Universite Laval 5,000
 University of Alberta 43,000
 University of Guelph 29,500
 University of Ottawa 5,000
 University of Saskatchewan 7,500
 University of Toronto 102,500
 University of Victoria 49,500
 University of Waterloo 26,500
 University of Western Ontario 20,500
 York University 110,000
 University of British Columbia 96,500
 UQAM, Science Subventions 80,000
 World Meteorological Organization - membership fee 2,163,440
 Canadian Meteorological & Oceanographic Soc. 17,000

Assistance in Public Participation in Reviews under the Environmental Assessment and Review Process

Northwest Territories Federation . . 751
 Dogrib Treaty 11 Council 5,000
 Yellowknife Chamber of Commerce 3,750
 Yellowknife Dene Band 6,055
 NWT Chamber of Mines 5,500
 Canadian Arctic Resources Commission 2,000
 NWT Construction Assoc 2,000
 Assoc of Professional Engineers 1,298
 Lutsel Ke Dene Band 500
 NWT Barren Ground Caribou 625
 Barrenground Caribou Outfitters 4,000
 NWT Construction Assoc 4,000
 Metis Nation of the Northwest 6,000
 Yellowknife Chamber of Commerce 15,700
 NWT Federation of Labour 11,600
 Northern Environmental Coalition 24,000
 NWT Chamber of Mines 20,000
 Status of Women Council of the N.W.T. 10,000
 Association des Climatologues du Quebec 3,380
 Dogrib Treaty 11 Council 28,000
 Yellowknives Dene Band 13,700
 Lutsel K E Dene Band 3,000
 Kikinahk Friendship Centre Inc. 8,315
 Coronation Impact Review Com 10,000
 Maisie Shiell 500
 Metis Nation of the Northwest 498
 Dr. Patricia Thomas 750
 Interchurch Uranium Com 15,800
 Sask. Environmental Society 3,000
 Canadian Nuclear Society 2,000
 Inuit Tapirat of Canada 2,250
 Joint Uranium Review Com 14,300
 North West Saskatchewan Municipalities Assoc 4,500
 Saskatchewan Risk Assessment Society 500
 Nuclear Workers Council 2,700

Dr. Jiri Strnad 2,100
 English River First Nation 7,300
 Meadow Lake Tribal Council 6,350
 La Ronge Air Ronge Community Development 13,100
 People Against Lepreau 2 2,000
 Grand Council Treaty No. 3 1,500
 Saskatchewan Environmental Society 1,500
 Earth Resources Society 750
 Campaign for Nuclear Phaseout 3,000
 Canadian Coalition for Nuclear 2,000
 Northwatch 1,500
 Canadian Nuclear Workers Council 1,500
 Concerned Citizens of Manitoba 2,000
 Cosun 500
 Risk Assessment Society 2,500
 Concerned Citizens of Renfrew 1,000
 Ligue des Femmes du Quebec 2,000
 Mouvement Vert Mauricie Inc. 2,000
 Interchurch Uranium Committee 1,500
 Alberta Wilderness Assoc- Fed. of Alberta Naturalists 34,240
 Rocky Mountain Ecosystem Coalition 40,000
 Dr. Patricia Thomas 2,000
 Sask. Uranium Coalition 9,000
 La Ronge Air Ronge Community 1,250
 Prince Albert Grand Council 7,500
 Meadow Lake Tribal Council 7,500
 Northern Village of Buffalo Narrows 1,250
 Kikinahk Friendship Centre 5,000
 English River First Nation 4,000
 Maisie Shiell 360
 Hatchet Lake Band 6,000
 Earth Resources Society 1,500
 Northwatch 25,000
 Serpent River First Nation 30,100
 Elliot Lake Economic Dev. 2,000
 Algoma Manitoulin Nuclear Awareness 902
 United Steel Workers of Amer 2,000
 Wildlife Habitat Canada 2,347,505
 Ministere des Finances du Quebec - Hydrometric Agreement 624,740
 World Wildlife Fund - Endangered Species Recovery Fund 200,000
 World Wildlife Fund - Wildlife Toxicology Fund 30,000
 Union de Banques suisses - Ramsar - Convention on Wetlands of International Importance 88,146
 Asia Pacific Foundation of Canada - GLOBE Conferences 600,000

Province of British Columbia and Environmental Non-Government Organizations - Wildlife Strategy, Pacific Coast Joint Venture

Society for the Preservation 10,000
 The Nature Trust of B.C. 17,500
 Ducks Unlimited 67,000
 Federation of B.C. Naturalists 50,000
 The Nature Trust of B.C. 37,500
 Mid-Island Wildlife Watch Soc. 18,000
 Ducks Unlimited 20,000
 Wildlife Habitat Canada 50,000
 Federation of B.C. Naturalists 10,000
 Wildlife Habitat Canada 30,000
 B.C. Wildlife Federation 30,000

Sustainable Management Program for the Fraser River Basin

Province of British Columbia 6,000
 The University of B.C. 25,000
 Ducks Unlimited Canada 57,000
 British Columbia Ministry of Environment, Lands & Parks 26,000
 The University of B.C. 20,000
 Ecowaste Industries Ltd. 19,000
 Simon Fraser University 80,000
 BC Conservation Foundation 95,000

Province of British Columbia 15,000
 Province of British Columbia 10,000
 Simon Fraser University 35,000
 Delta Farmland and Wildlife Trust 150,000
 The University of B.C. 16,000
 Ducks Unlimited Canada 114,000
 The University of B.C. 100,000
 The University of B.C. 4,000
 The University of B.C. 52,500
 Ducks Unlimited Canada 68,000
 Ducks Unlimited Canada 150,000
 The University of B.C. 35,000
 The University of B.C. 50,000
 The University of B.C. 12,000
 B.C. Conservation Foundation 20,000
 Ducks Unlimited Canada 75,000
 Province of British Columbia 5,000
 The University of B.C. 15,000
 Simon Fraser University 16,000
 Simon Fraser University 5,000
 Simon Fraser University 10,000
 Simon Fraser University 10,000
 Coast Agriculture Ltd. 10,000
 Sustainable Cities Foundation 5,000
 University of Waterloo 9,500
 Province of British Columbia 10,000
 Simon Fraser University 32,000
 Ducks Unlimited Canada 200,000
 The University of B.C. 10,000
 The University of B.C. 8,000
 Dairy Producers Conservation Group 4,000

Action 21 Program

Association of Canadian Community Colleges 8,800
 Ottawa River Committee 25,000
 Fed. of Canadian Municipalities 8,000
 Harmony Foundation of Canada 5,000
 Harmony Foundation of Canada 85,000
 Jim Hamm Productions Ltd. 10,000
 L'education au Service de la Terre 150,000
 The Pembina Institute 33,000
 The Sierra Club of Canada 10,000
 Sky Dancer Productions 5,000
 Tourism Industry Assoc of Canada 4,000
 CIDA 5,000
 York University 4,950

North American Waterfowl Management Plan

Ducks Unlimited Canada 307,209
 50339 Canadian Corps of Commissioners 4,000
 50256 Hill Farms 6,299
 Ray Rintoul 3,360
 Revenue Canada for Evan Gullacher 3,539
 50256 Malcolm Campbell 4,072
 50256 Bernard Lakness 2,618
 N.B. Dept. of Natural Resources 9,900
 Ducks Unlimited Canada 45,000
 Ducks Unlimited Canada 10,000
 Nfld Exchequer Account 10,000
 Wildlife Habitat Canada 147,250
 Nature Conservancy 263,099
 Manitoba Habitat Heritage 260,000
 Wildlife Habitat Canada 306,200
 Prov. Treasurer of Alberta 245,000
 Province of BC 4,388
 Saskatchewan Wetlands Conservation Corporation 500,000
 Ducks Unlimited Canada 500,000
 Province of Man. - Finance 175,200
 Saskatchewan Environment 284,991
 Nature Conservancy of Canada 100,000

Building International Partnerships Program

UNIP Trust Fund 108,544
 Foundation for Educational Exchange

Canada-US. 75,000
 Inuit Circumpolar Conference 15,000
 IUCN. 10,000
 Organization for Economic Cooperation and Development 50,000
 UNEP Trust Fund 150,000
 Foreign Affairs & International Trade 162,000
 United States National Science Foundation 47,000

Technological Development and Demonstration Program - St. Lawrence River

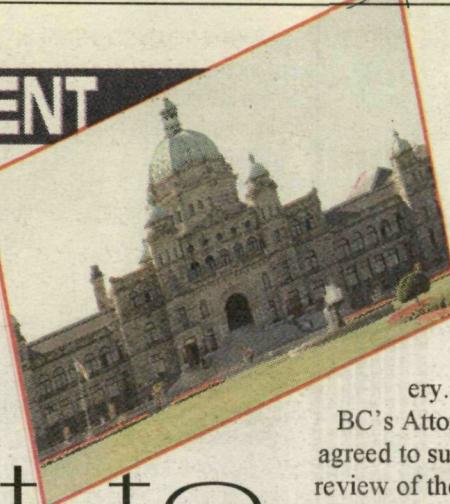
C.R.E.A. Lab Inc. 16,494
 Les Consultants Beak Ltee 107,022
 Enviromer Inc. 17,357
 Ferti-val Inc. 4,923
 Les Industries Normrock Inc. 26,500
 INRS-GEO Resources 79,150
 Ville de Montreal 77,500
 Nerus Composites Inc. 208,095
 Nettoyeur Chatel 34,613
 Centre Recherche Env. Uqam Sorel 25,000
 Alcan International LTEE 26,850
 Cartons St-Laurent 98,500
 Cascades Inc. 43,262
 Institut National de la Recherche sur L'eau 104,102
 IRBV 6,000
 Les Industries Normrock Inc. 11,140
 Alex Centre Inc. 26,820
 Alcan International LTEE 116,690
 M.S.D.A. Inc. 5,000

Other Grants or Contributions

Canadian Assocon Water Quality - Grant to the Cdn National Committee of the Int'l Assoc on Water Pollution Research 4,000
 Canadian Council of Ministers of the Environment 751,090
 University of Guelph - Cdn Network of Toxicology Centres 1,797,000
 Fur Institute Inv 95-R007 205,000
 Fur Institute of Canada 17,000
 Beverly & Qamanirjuaq - Interjurisdictional Caribou Mgmt Board 13,500
 Dept of Indian & Northern Affairs - Fur Institute Commercialization Strategy 50,000
 Major Industrial Accidents Council of Canada 270,000
 International Institute for Sustainable Development 2,175,000
 Teerachoice Environmental Services Inc. - Environmental Choice Program 1,123,000
 SEDA - Nova Scotia Agreement on Sustainable Development 262,000
 Ministere des Finances - Quebec - Quebec Agreement re application in Quebec of federal pulp & paper mill regulations 300,000
 Province of B.C. Environmental Protection Dept - agreement on administration of fed/prov legislation re pulp & paper mills 166,000
 Royal Society of Canada - Global Change Program 778,000
 University of Sask. - a Canadian Wildlife Health Centre 250,000
 UNEP-Cites Secretariat Exch.R - U.N. for Convention on Trade of Rare & Endangered Species 200,496
 Laskeek Bay Conservation Soc 11,893
 Social Sciences & Humanities - University Research Councils Program 6,330,000

Total amount of grants & contributions by the Department of Environment \$54,482,716

B.C. GOVERNMENT BACKS DOWN on threat to PROSECUTE THE CTF



Freedom of speech marked a partial victory on May 28, 1997, when British Columbia's Ministry of the Attorney General announced that it would not prosecute a number of citizen groups who were alleged by Elections BC to have contravened the province's infamous election "gag law."

However, it must be viewed as only a partial victory because — although the Canadian Taxpayers Federation (CTF) won't need to defend its right to free speech in the courts, its ability to speak out in future provincial elections is still under threat because the gag law remains in effect.

First some history. In 1995 the NDP government introduced and passed a new *Election Act*. Its 300 pages include a provision that limits citizens and citizen groups to spend no more than \$5,000 to advertise their opinions during election campaigns. Violators are subject to fines and one-year jail terms. The courts struck down similar federal "gag laws" written into federal election rules on three occasions.

But as if the law itself wasn't bad enough, BC's Chief Electoral Officer (CEO) Robert Patterson has interpreted and attempted to enforce it with the zeal of a Latin American dictator. He arbitrarily pulled ads off the air and subjected alleged violators to threats of prosecution, intimidation, and harassment by "special investigators" — all without so much as formal charges or explanations.

Even worse is the appearance of bias in Mr. Patterson's attempts to shut up only those groups and individuals who have a track record of criticizing the current government. For example, ads taken out by the CTF in support of balanced budget

laws were deemed illegal while public sector union ads that opposed spending cuts were acceptable.

The issue came to a head in March of this year when the Fisheries Survival Coalition was fined \$220,000 for handing out pamphlets critical of the aboriginal-only fishery. Embarrassed by the fall-out, BC's Attorney General, Ujjal Dosanjh, agreed to suspend the fines pending a court review of the constitutionality of the "gag law." As for other groups in the CEO's black book, the Attorney General handed the whole issue off to a Special Prosecutor to determine whether the government should prosecute them for *Election Act* violations.

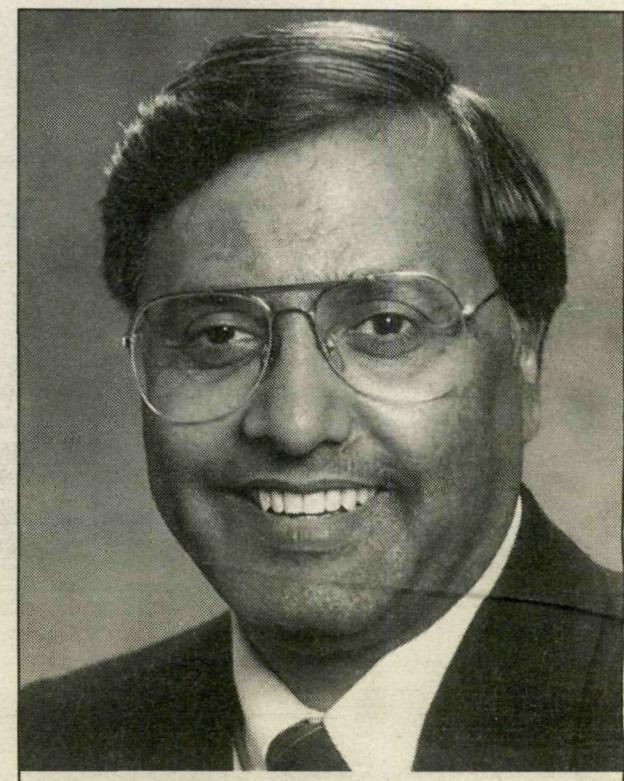
The Special Prosecutor's report concluded that "there was no substantial likelihood of conviction; nor was it in the public interest to proceed."

The CTF has written Attorney General Ujjal Dosanjh and asked him to publicly release the Special Prosecutor's report because, while his conclusion may not come as a surprise, it is important for the public to know why he reached that conclusion. The public needs to know his opinion on the constitutionality of the "gag law." Moreover, did the Special Prosecutor examine Robert Patterson's application of the *Act*? If there is any hint that Mr. Patterson interpreted or enforced the *Act* in a biased or unfair manner the government should demand his immediate resignation.

The government has consistently hidden behind every technicality and legal loophole available to avoid public scrutiny and accountability for its *Election Act* and Elections BC. As an independent Officer of the Legislature, Mr. Patterson is not required to an-

swer directly to the Legislature for the tax dollars he spends, his decisions, his conduct, or the performance of his duties. Nor does the government have to answer for its gag law because it has conveniently placed it before the courts. Despite the Special Prosecutor's report, the government still plans to waste tax dollars to defend its ill-conceived gag law all the way to the Supreme Court of Canada.

If the government were truly concerned about fair elections, it should abolish the gag law and limit the CEO's responsibilities to monitoring the ballot count — not monitoring what people say about critical issues during an election. ■



B.C.'s Attorney General Ujjal Dosanjh

